

South Korea Lifts Ban on Discussion Of Reunification

SEOUL — South Korea announced Thursday that a ban on public discussion of reunification with North Korea is being lifted, but talks with Pyongyang's representatives on the issue will be allowed only at the governmental level.

The minister of culture and information, Chung Han Mo, said students and dissidents will be allowed to talk about reunification, but the government would not let them meet with North Koreans.

The decision gives official approval to a policy that has been in effect for several months and sets in motion a process to revise laws prohibiting nearly all debate on the issue.

However, it also sets the government and student activists on a collision course. About 10,000 students are planning to walk to the border on June 10 to meet with their counterparts from the North.

The South Korean government has said it will block the march. The main bridge across the Imjin River into the Demilitarized Zone was closed late last month for repair.

"Pursuant to the basic policy of democratization enunciated in launching the Sixth Republic, it has been decided to actively liberalize debate on the unification issue," Mr. Chung said after President Roh Tae Woo presided over a meeting of the cabinet.

He said the government will "progressively increase public access to information and data about North Korea and the rest of the Communist bloc with a view to energizing healthy discussions about unification."

But he said, "Debate on unification must be conducted on the basis of constitutional order and within the framework of the existing laws, and must be clearly distinguished from the actual implementation of the nation's unification policy."

Tens of thousands of students and dissidents have held recent demonstrations pressing for reunification of the peninsula, divided following World War II.

The dissidents have called for an initiative to allow North Korea to co-sponsor the Summer Olympics scheduled in Seoul.

"The recent attempts of some persons to make proposals directly to the North over the head of the government or to contact them is not helpful to healthy debate on unification or to the substantive improvement of South-North relations and ought to be stopped as a matter of course," he said.

"The administration has been making multifaceted efforts, through various routes since the 24th Olympics was awarded to Seoul, to induce the participation of the North in the Seoul Olympics," he added.

The North Korean president, Kim Il Sung, said last week that even if the Olympics were shared, North Korean athletes would not take part in any events in the South, the North Korean Central News Agency said in a report monitored in Tokyo.

South Korea and the International Olympic Committee offered the North five Olympic events, but Pyongyang refused the compromise.

Meanwhile, the president of the International Olympic Committee, Juan Antonio Samaranch, said on Thursday that he was prepared to visit Pyongyang in a last-ditch attempt to persuade North Korea to compete in Seoul. The IOC has refused Pyongyang's demands of co-sponsorship.

Mr. Samaranch's statement followed meetings with key South Korean opposition politicians and dissident leaders on Thursday.

During his breakfast meeting with the opposition leaders, radical students demonstrated outside his Seoul hotel demanding that the IOC allow Pyongyang to share the Olympics. Almost 700 were arrested when riot police broke up the demonstration.

Last week, after violent protests in Seoul demanding a jointly staged Olympics, the IOC reiterated its position that Pyongyang's demand ran counter to the Olympic charter.

(Reuters, UPI)



RISING TOLL — A rescue worker wept Thursday after coming out of the coal mine in Borken, West Germany, where 57 miners died after an explosion deep underground on Wednesday. Some of the victims apparently survived the blast, but perished when their emergency breathing equipment ran out of oxygen, officials said. Thirty-six bodies have been found, but officials said there was no possibility that any of the other 21 miners underground survived the explosion.

Dumas Asserts France Will Continue To Base Defense on Nuclear Arsenal

By Joseph Fitchett
International Herald Tribune

PARIS — Roland Dumas, the French foreign minister, told the United Nations on Thursday that France would rely on nuclear weapons as a deterrent for the foreseeable future and that it saw political problems impeding new arms control agreements.

His speech apparently indicated that President Francois Mitterrand intends to maintain the current thrust of French defense policy, rejecting cautiously any arms control proposals, particularly any aimed at eliminating nuclear arms in Europe.

It will be a reassuring signal to other Western governments diplomats said, after a period in which they had been seeking, unsuccessfully, to assess remarks by Mr. Mitterrand during his recent presidential campaign that were critical of the North Atlantic Treaty Organization on disarmament.

Mr. Mitterrand supported West Germany's view that it would send the wrong message to Western opinion and the Soviet leadership if NATO decided to deploy new nuclear weapons in Europe immediately after the signing of the accord removing intermediate-range missiles.

He also repeatedly stressed the urgency of finding new disarmament agreements and publicly criticized NATO's strategy of nuclear deterrence based on a capacity for fighting limited nuclear wars.

Although the speech, before the UN General Assembly's special session on disarmament in New York, failed to clarify other remarks by Mr. Mitterrand about the need for changes in French nuclear strategy, Mr. Dumas' address signaled no basic departures in French policy on East-West disarmament issues by Mr. Mitterrand.

After two years in which Mr. Mitterrand had to share power with a Gaullist prime minister, he has now resumed responsibility for shaping foreign and defense policy, as French presidents have traditionally done.

Mr. Dumas, in stressing that the United Nations should be "realistic" in trying to influence arms control, implicitly rebuffed Soviet calls for the creation of UN agencies devoted to arms control. Among other proposals, he urged:

• A new UN agency that would provide member nations with expert information about potential military threats, based on satellite photography obtained from commercial sources.

• Immediate talks on how the Security Council could guarantee assistance to any nation attacked with chemical weapons. This pledge, Mr. Dumas said, would encourage more governments to join a ban on chemical warfare.

• A revision of the Missile Technology Regime, an agreement among major industrial countries last year to curtail sales of long-range missiles to countries incapable of manufacturing them already.

The United States has been seeking to get the Soviet Union and China to join the pact, but France apparently feels that a broader approach is needed to gain support among countries such as Brazil and India that want missile technology for space programs.

Mr. Shultz said the failure to reach agreement on the Strategic Arms Reduction Talks, or START, had the "curious" effect of calling attention to fundamental changes in the U.S.-Soviet relationship.

"In a curious way," he said, "the fact that we did not have a START agreement finished in time to sign at the summit and therefore be kind of a dominant event at the summit, has caused people to reflect on what may be the more important, the deeper and more significant meaning of what President Ronald Reagan and Mikhail S. Gorbachev managed to achieve."

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Yugoslavia Nears Shift To Market Economy

BELGRADE — The government has submitted a radical economic plan to parliament and says it is close to obtaining a \$490 million standby credit from the International Monetary Fund.

The government wants to turn Yugoslavia into a market economy with free prices for goods and labor and private investment through bonds and shares, according to the proposals made public Thursday.

Press reports said Prime Minister Branko Mitlic wanted the laws supporting such changes to be enacted by Jan. 1.

Deputy Prime Minister Janez Zemljic told parliament on Thursday that the IMF had in principle approved the credit, which is linked to austerity policies, and paves the way for rescheduling much of Yugoslavia's \$21 billion debt, the official Tanjug news agency reported.

Other talks with Western creditors aimed at securing a total of \$1.4 billion in financing this year would be completed in the coming weeks, Mr. Zemljic said in parliament. He said commercial creditors had agreed to reschedule \$7 billion of debt originally due to mature by 1996, of which \$1.89 billion fell due in 1988. This agreement would be signed by the end of June.

Mr. Zemljic said he expected an accord to be reached next week with members of the so-called Paris Club of Western creditor nations on rescheduling \$3.2 billion of debt falling due by 1995.

The proposed economic changes are the most radical ever in the "socialist self-management" economic system that was developed after Yugoslavia broke with the Soviet bloc in 1948.

The government undertook a strict austerity program this month, curbing wages and spending as part of sweeping changes to be completed before the end of the year.

One of the most radical proposals is to base the economy, for the first time, on the profit motive, ending the practice of subsidizing unprofitable enterprises.

Under the proposals, bankrupt enterprises are to be sold or their assets leased to individual investors. Yugoslav commercial banks will become autonomous and accountable for profit and loss.

Goods and labor will form their prices in a free market, with intervention only in exceptional cases. Incomes will reflect profits.

The plan foresees new forms of ownership existing alongside state ownership. These include private, mixed and cooperative ownership. Mixed ownership will combine existing state ownership with one or another of the new forms.

Some U.S. officials also believe Libya may have had at least an indirect hand in anti-government demonstrations May 16 on the South Pacific island of Vanuatu. They note reports that Libya trained some supporters of Barak Sobhe, the tourism and immigration minister, who organized the street disturbances.

Mr. Bremer said Colonel Gadhafi's apparent emergence has come at the same time that he also appears to be overcoming the pariah status imposed on him by the United States and other Western nations following his involvement in a spate of incidents in early 1986.

Mr. Bremer said he fears there is now a drift in Western resolve to keep Colonel Gadhafi isolated and under both political and economic pressure to end his brokering of terrorist activity.

When Mr. Gorbachev was asked at his news conference whether he thought an early summit meeting with the next U.S. president would be useful, he replied, "I consider it indispensable, vital."

WORLD BRIEFS

Opposition Leader Assails Khomeini As Signs of Internal Strife Increase

PARIS (NYT) — In a dramatic indication of mounting opposition to the ruling regime in Iran and the continued war with Iraq, Mr. Bazargan, the first prime minister appointed by Ayatollah Khomeini, has distributed an open letter of protest accusing the Iranian leader of instituting "a despotism worthy of the pharaohs" in collaboration with Israel.

Mr. Bazargan has long been tolerated as a member of the opposition to the regime, primarily because he commands a following among the middle class of Iran. He charged that Ayatollah Khomeini had failed to achieve the goals he proclaimed for the country, a conflict he said the ayatollah had come to "pursue at any cost." The letter comes at a time when serious divisions seem to have opened about the pursuit of the war, as well as about the general economic and social directions of the country. It coincides with a string of defeats of the Iranian Army and Revolutionary Guards and important changes in the country's government, army and parliament.

On Thursday, Iran announced the appointment of the speaker of the parliament, Hashemi Rafsanjani, as supreme commander of the forces charged with a mission to unify all branches of the military under one command. The move came after the dismissal on May 7 of the former chief of staff of the army and the loss to Iraq of the Faw Peninsula.

Eastern and Continental Called Safe

WASHINGTON (AP) — Eastern Airlines and Continental Airlines are being operated safely, but labor turmoil at Eastern raises the safety problems there, according to an investigation by the Transportation Department.

The report Thursday said that a close inspection of Texas Air Corp., the parent company of the two airlines, showed no serious financial or operational problems. As a result of the continuing labor problems, the Federal Aviation Administration planned to continue close scrutiny of Eastern's operations, and former Labor Secretary William E. Brock Jr. will announce work with Eastern management and labor to ease tensions.

Soviet-Canadian Team Crosses Pole

TORONTO (AP) — Soviet and Canadian skiers without sled dogs have finished a three-month polar trek from Siberia to Canada. The Soviet leader, Mikhail S. Gorbachev, praised the skiers on Thursday. "Your journey has added to trust, mutual understanding and neighborliness in this world," the official Tass news agency quoted Gorbachev as saying. He praised the "courage, true comradeship and mutual assistance" of the nine Soviets and four Canadians in completing their 91-day, 1,739-kilometer (1,075-mile) journey across the North Pole on Wednesday.

An expedition spokeswoman, Shirley Smyth, said the group left short-wave message after leaving the shifting ice pack and reaching the Hunt Island near Cape Columbia on Ellesmere Island, the northernmost part of Canada. All 13 persons who set out March 3 from Severnaya Zemlya Archipelago, the northernmost point in the Soviet Union, finished the journey under the leadership of a Moscow mathematician, Dmitri Shparo, and a Canadian mechanical engineer, Richard Weber.

Sweden Reports Submarine Intruder

STOCKHOLM (Reuters) — The Swedish Navy fired depth charges and anti-submarine grenades on Thursday at suspected underwater intruders off the southeastern coast.

A military spokesman said a naval unit on exercises off the town of Oxelosund opened fire after monitoring systems indicated that one more foreign submarine was in territorial waters. It was the second action against suspected underwater intruders this week. In 1981, a Soviet submarine ran aground near a naval base in southeastern Sweden.

Art Studio Blaze Injures 4 in Paris

PARIS (AFP) — Four persons were seriously injured when a fire broke through the studio of Michael Prentice, an American sculptor, in a department spokesman said.

About 200 people were attending a private exhibition of the artist's works on Wednesday when the fire broke out, the spokesman said. Investigators said a fireworks display that was presented during the exhibit was the likely cause of the blaze, which seriously damaged the workshop. Mr. Prentice, who has lived in Paris for 20 years, is displaying works created in commemoration of the French Revolution.

For the Record

Cardinal Jozef Glemp, Poland's Roman Catholic primate, said he would start a one-week visit to the Soviet Union on Tuesday, the first by head of the Polish church.

A typhoon swept across the northern Philippines and Taiwan Thursday, killing at least one person. A weeklong storm in central Chile also caused heavy flooding, leaving four persons dead and thousands homeless.

TRAVEL UPDATE

EC Charges 2 Members on Air Policy

BRUSSELS (Reuters) — The European Commission began its action Thursday against France and Italy for restricting air transport within the European Community.

The commission alleges that Italy broke the rules by refusing to authorize a flight by Aer Lingus, the Irish airline, between Dublin and Milan with a stop in Manchester, England, to disembark and take passengers. The French refused last August to allow a charter flight Brussels operated by a Belgian company to land in the French Alps because more than 20 percent of its passengers were French.

The EC official in charge of anti-trust actions, Peter Sutherland, said the drive to create a common market by the end of 1992 made such competition rules more important than ever.

Strike Disrupts Italy's Rail Schedules

ROME (Reuters) — Italian rail workers started a 48-hour strike Thursday expected to disrupt services until Saturday.

The state railroad company said it would guarantee services on the main national and international lines, but warned passengers to expect delays, disruptions and cancellations on other trains.

As traffic at Ben Gurion Airport near Tel Aviv was disrupted Thursday after the start of a 24-hour strike by engineers and technicians, countries meeting in Paris called Thursday for national action to ease the congestion.

COMEBACK: Camels in Kenya

(Continued from page 1)

The "increasing marginalization" of the nomads, a fancy way of saying that more and more nomad families lack even the rudimentary herds necessary to supply the daily meal of milk.

The Samburu, like nomadic people throughout Africa, are in decline. In the past 20 years, the Samburu have lost 35 percent of their rangelands to encroaching farmland, expanding national parks and, to the northeast, uncontrollable livestock raiding.

At the same time, their numbers, and their herds, have steadily increased. As if that were not enough, the rains have fallen off, part of what meteorologists say may be a long-term change in the weather pattern.

But the Samburu, like other nomads, have few options. Nairobi and other African cities already team with unskilled, unemployed refugees from rural areas.

"This is the only world the nomad has. He has very little chance of doing better elsewhere," said the Reverend Sean McGovern, a Roman Catholic priest who added camels to his mission in northern Kenya after crop experiments failed. "He's got to make a go of here if he's to survive at all." Father McGovern and others believe that helping the nomads replace large numbers of their camels with cows would allow the grassland to recover.

European Allies Laud Summit Results

By Robert J. McCartney
Washington Post Service

BRUSSELS — The European allies welcomed on Thursday the outcome of the Moscow summit meeting, saying that it underlined the broad improvement in U.S.-Soviet relations despite achieving only modest progress on arms control.

Allied foreign ministers and other representatives gave that assessment after a briefing from Secretary of State George P. Shultz at the headquarters of the North Atlantic Treaty Organization.

The NATO secretary-general, Lord Carrington, said in a written statement that NATO "recognized the success of the meeting in Moscow, which demonstrated the growing strength of the political dialogue between the United States and the Soviet Union."

Progress at the summit meeting on arms control, human rights and other issues illustrated "an increasingly stable relationship between the United States and the Soviet Union, which can only benefit the alliance," Lord Carrington said.

"The United States can be assured of full alliance support in pursuing our common objectives for further improvements in East-West relations," he said.

This view was echoed by other alliance representatives, who said that summit meetings were valuable even if they did not yield major breakthroughs.

The Europeans added, however, that it was important that the U.S. administration take advantage of the improved climate by continuing in its final months to press for further progress in arms control negotiations.

Foreign Minister Giulio Andreotti of Italy said, "It was possible to conclude a series of accords, which, as Shultz said, individually could be considered modest. But together they represent a direction, and this is important."

Mr. Andreotti said that Mr. Shultz assured the allies that the U.S. administration, even if it failed to achieve a strategic arms accord, would leave the next administration in a "very precise" negotiating position so that the talks could continue easily.

Foreign Minister Hans-Dietrich Genscher of West Germany said, "We must free ourselves of the conception that a summit is only a good summit if a new disarmament treaty is agreed."

He said it was "important" that both sides "want to see the coming months to come to a negotiating result" in talks aimed at reducing strategic arms, or long-range nuclear weapons.

SUMMIT: Success for U.S.

(Continued from page 1)

had described the Soviet leader as vigorous and determined to press ahead with his reform program.

■ Talks a Boost to Peace
Mr. Reagan and Mr. Gorbachev parted company in Moscow on Thursday expressing confidence they had advanced the cause of peace during five days of a "Moscow spring." The Associated Press reported.

At a farewell ceremony, Mr. Gorbachev said he and Mr. Reagan could have accomplished more, although they did manage to "divert the train of U.S.-Soviet relations from a dangerous track to a safer one."

■ Kohl to Visit Moscow
Chancellor Helmut Kohl of West Germany will visit Moscow in the second half of October, his office announced. Reuters reported Thursday from Bonn.

Friedhelm Ost, the West German spokesman, said that the trip would be aimed at "a new quality to relations."

But he came with a firm concept of the highly personalized role he intended to play and pursued it with tenacity. It was as much a texture as any specific outcome that he sought to create.

In his moving and eloquent speech at Moscow University and in his insistence on meeting with dissidents and Jews denied exit visas, Mr. Reagan projected an image

of American tolerance for diversity and respect for the individual. But he kept his criticisms low-key and well away from targeting Mr. Gorbachev. Repeatedly invited at the news conference to criticize the Soviet leader and the totalitarian features of Soviet rule, Mr. Reagan instead blamed human rights problems on an unresponsive "bureaucracy."

Mr. Gorbachev also sought to absolve Mr. Reagan from the stigma of failure, stressing that it was the president's aides who had held him back from signing a joint declaration on peaceful coexistence sought by the Soviet Union.

"We do want to coexist, don't we?" an obviously nettled Mr. Gorbachev asked during his news conference, which he began shortly after a meeting with Mr. Reagan that U.S. officials described as the only tense of the summit. "We have missed a chance to take an important step forward."

The news conferences provided a study in contrasts not only in personal styles but also in the concept of politics. Mr. Reagan, whose boisterous voice cracked several times as he fielded questions for 35 minutes, and who frequently appeared distracted, avoided detailed answers and amiably fended off questions about his differences with Mr. Gorbachev.

The Soviet party leader, who at 57 is 20 years younger than Mr. Reagan, performed with verve for 110 minutes and eagerly tackled detailed questions on diplomatic and political strategy. He drew a picture of Mr. Reagan as being unwilling or unable to respond to initiatives in these final months.

Mr. Gorbachev skillfully changed register on Mr. Reagan, moving from thinly veiled criticism to warm praise.

ROUTINE: Gains Not Immediate PARTNER: Gorbachev Bolstered

(Continued from page 1)

press and television coverage, which either ignored the president's activities or mentioned them only in the course of caustic criticisms.

The press and television, in a reminder of the limits of *glasnost*, also skinned over Mr. Reagan's visit to Danilov Monastery, his luncheon with intellectuals and his meeting with students at Moscow University, appearances used by the president to press for increased religious and civil liberties in the Soviet Union.

Sensitivity about those issues seemed to override any benefits that might derive from reporting in detail about Mr. Reagan's strong endorsement of Mr. Gorbachev's efforts to change the country.

By the end of the visit it was apparent that Mr. Gorbachev's response was calibrated not simply to deflect criticism that he had given Mr. Reagan a chance to campaign for expanded liberties in the Soviet Union.

By openly rebuking Mr. Reagan at his news conference Wednesday, blaming the president for failure to make more headway on a number of key issues this week, Mr. Gorbachev seemed determined to show that he was not about to be pushed around by anyone, including his colleagues in the party.

He underscored the point when he said at the nationally televised news conference that Boris N. Yeltsin, ousted last year as Moscow's party leader, would have to explain why he told a British television correspondent this week that the party's No. 2 official, Yegor K. Ligachev, should be dismissed.

By taking the offensive against Mr. Reagan, Mr. Gorbachev could depict himself as the leader more interested in improving U.S.-Soviet relations.

Since improved ties with Washington serve Mr. Gorbachev's interests at home as well, he was careful not to equate his criticism of Mr. Reagan with a general setback to the party's powers, that will have a major bearing on the future course of Soviet reforms.

Mr. Gorbachev appears to have had some trouble managing the delegate selection process, with a number of his most prominent supporters being rejected by local party organizations.

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THE MOSCOW SUMMIT: 'Face to face and going at it pretty heavy until the end'

U.S. Right Praising Reagan

It Hails Emphasis On Civil Liberty

By Edward Walsh

Washington Post Service

WASHINGTON — President Ronald Reagan's performance during the Moscow summit meetings was generally praised by U.S. conservatives, who said his strong message to the Soviet people about human rights and democracy could be the most important and lasting accomplishment of his fourth meeting with Mikhail S. Gorbachev.

Despite conservative opposition to the Intermediate-Range Nuclear Forces Treaty, and fear that Mr. Reagan is rushing to conclude a new arms-control agreement reducing strategic nuclear weapons before his term ends, conservative criticism of the president's softer approach to the Soviet Union was muted as the summit conference ended Wednesday.

"If 10 percent of some of the things he said about human rights and freedom gets out to the Russian people, then, yes, the summit is a plus," said Senator Steven D. Symms, Republican of Idaho, one of five senators to vote last week against ratification of the INF accord.

Burton Fines, senior vice president of the conservative Heritage Foundation, said Mr. Reagan went to Moscow determined "to get his message out to the Russian people, and that he has done extraordinarily well."

"Conservatives have been arguing that arms control is not the only issue between the United States and the Soviet Union," Mr. Fines said, "and Ronald Reagan did it — he talked about human rights over and over, so much so that Gorbachev complained about it."

Mr. Reagan's speech on Tuesday at Moscow State University, with its main theme of freedom, won widespread praise. However, Mr. Reagan appears to have tarnished his performance with conservatives during a news conference in Moscow on Wednesday when he suggested that Soviet bureaucracy, rather than deliberate government policy, might account for the Soviet Union's obstacles to emigration.

"Human-rights problems are endemic to the Soviet system, not just the bureaucracy, but in the fundamental nature of the government," said Representative Jack Kemp, Republican of New York, a conservative who unsuccessfully sought the Republican presidential nomination.

The strongest criticism came from F. Andy Messing Jr., executive director of the National Defense Council Foundation. He referred to the angry response of American Indian leaders to Mr. Reagan's statement on Tuesday that perhaps the U.S. government "should not have humored" Indians by permitting them to live on reservations. "If the president thinks he's in trouble with American Indians, he ought to check with conservatives," Mr. Messing said.

Accusing Mr. Reagan of abandoning the conservative agenda he brought to office for "his place in history," Mr. Messing said: "If Reagan had been the 1980 Reagan, he would have told Gorbachev to get the hell out of Central America, but he's not the Reagan of 1980."

A skeptical note on U.S.-Soviet relationships was also sounded by Zbigniew Brzezinski, President Jimmy Carter's national-security adviser. Mr. Brzezinski said Mr. Reagan and Mr. Gorbachev "projected to each other and to each other's society a much more benign vision of the relationship than we are accustomed to, perhaps more benign than it is."

But others were more enthusiastic about the likely effect of the summit meetings. Richard Pipes, a conservative scholar of Soviet affairs at Harvard University, called it "better than any summit we've had before" and predicted an improvement in U.S.-Soviet relations.

Mr. Pipes said the immediate post-summit political dangers are most acute for Mr. Gorbachev, who is certain to come under criticism from his conservatives for allowing Mr. Reagan "to meddle in our internal affairs." He said U.S. conservatives may complain that Mr. Reagan "is signing lousy treaties" but should be pleased that "at least he is carrying the message to the Soviet Union."

The apparent lack of progress toward a new strategic arms-control agreement was one reason for the relatively mild conservative reaction. Moreover, Mr. Pipes said, "anything that Mr. Reagan may have given away to the Soviets on START can be taken back seven months from now by the new president. But his words to the Soviet public are out there and can't be taken back."

The House minority whip, Trent Lott, Republican of Mississippi, who is among the many conservative Republicans skeptical of the START negotiations, said, "I think we should be cautious, and I thought the summit was a little bit gushy at times, but overall it's been positive."

Asked about Mr. Reagan's changes in rhetoric from the time he described the Soviet Union as an "evil empire," Mr. Lott said, "Gorbachev is different from his two predecessors and some good things are happening there, although not enough."

From a Soviet Expert, an Upbeat View of Meetings

Although Western reports on the Moscow summit meeting have emphasized the lack of progress on arms control, the view from Moscow, as expressed by one leading foreign policy expert on Thursday, was considerably more upbeat. Lev Lyubimov, head of the department of North American studies at the Institute of World Economy and International Relations, discussed the summit meeting with Barry James of the IHT staff.

Q. What did the summit achieve?
A. There are a lot of achievements. The question of strategic arms reductions is the most crucial. There is a mutual understanding to do everything possible in order to work out a mutually acceptable treaty by the end of this year. Of course, this will not be easy to achieve, since it is necessary to solve a great number of questions that are extremely complex, sophisticated and sensitive to the security interests of either side. I refer to mobile missiles, cruise missiles, including sea-based cruise missiles, and so on. But all these questions were included in the summit agenda, discussion was extensive and intensive and a certain progress has been achieved on a number of them.

Q. Is Mr. Gorbachev frustrated by the difficulties you mention?
A. No. He believes it is possible to terminate this treaty before the year is over.

Q. He did, however, complain of missed opportunities?
A. Yes. It seems he believes that some points on the agenda could have been advanced more. Perhaps some actions of President Reagan, particularly with respect to human rights, were an obstacle. We were losing time.

Q. But human rights do seem to be a major sticking point between Mr. Reagan and Mr. Gorbachev?
A. Comrade Gorbachev suggested the establishment of a mutual forum, American and Soviet, to discuss this problem in order to clarify our respective practices, our positions, our constitutional processes. In the light of the democratization process which is going on in the Soviet Union, there is no need now to emphasize this problem. It belongs to yesterday.

Q. Where do the two sides stand on chemical and conventional weapons?
A. The Soviet Union has made significant steps in the field of verification of chemical weapons, and we are hoping for corresponding steps on the part of the United States, regarding both verification and the production of certain materials by private corporations. The Soviet Union assumes conventional weapons should not exceed the level of sufficiency and should therefore be based on a purely defensive doctrine. We are prepared to share data and information and to allow the American and Soviet, to discuss this problem in order to clarify our respective practices, our positions, our constitutional processes.

Q. Is this likely to be of help in Namibia, Angola or Vietnam?
A. It seems these problems could be solved along similar lines.

Q. Are you disappointed by the progress in achieving a settlement in Afghanistan?
A. Yes. Some actions by Pakistan concern us. We still hope the situation will evolve in a positive way.

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Loz No. 6 advertisement with image of a bottle and glass.

Aldebert watch advertisement featuring a watch image and brand name.



FLAGS COME DOWN — As President Reagan and his wife rode to the airport Thursday from the Kremlin, workers were out to take down the American flags that had lined the route.

Inside View: Baker Reports 'Pretty Heavy' Going at Talks

The Associated Press

ABOARD AIR FORCE ONE — Mikhail S. Gorbachev challenged President Ronald Reagan at their last meeting of the summit over the wording of the communiqué, and they were "going at it pretty heavy until the end," the White House chief of staff, Howard H. Baker Jr., said Thursday.

Abroad Air Force One, flying to London, Mr. Baker said the United States was disappointed that there had not been more progress on strategic arms issues.

"Of course, we had hoped we could go further than that," he said. "We came out just about where it was predicted."

Mr. Baker described Mr. Gorbachev as a strong leader and said he had projected the same image in the private talks as he did at his nearly two-hour news conference, where he was feisty and in command.

Mr. Baker said that in talks with Mr. Reagan, Mr. Gorbachev "goes on at some length but he does not filibuster."

"He says what he says and he doesn't back up and say, 'I meant to say so and so,'" Mr. Baker recalled.

"He comes out of the box saying what he meant."

Mr. Baker described the final Reagan-Gorbachev meeting on Wednesday morning, about six hours before the summit communiqué was made public.

"As the meeting ended, all of us stood up, including the president and the general secretary, and the president and general secretary continued to pursue their conversation. They were going at it pretty heavy and I was proud of the president. They were face to face and going at it pretty heavy until the end."

Mr. Baker said that at the first meeting, on Sunday, Mr. Gorbachev gave Mr. Reagan some papers listing topics that he wanted to discuss over the three days.

He said the president gave it only a cursory look, and that Mr. Gorbachev quoted a phrase from the documents about "peaceful coexistence."

Mr. Reagan said something like, "That looks all right to me," and the documents were passed on for review by Secretary of State George P. Shultz and the staff of the National Security Council, Mr. Baker said.

"Equality of all states, non-interference in internal affairs and freedom of socio-political choice must be recognized as the inalienable and mandatory standards of international relations," the Soviet draft said.

At his news conference on Wednesday, Mr. Reagan was asked why he had taken issue with the phrase "peaceful coexistence."

Mr. Reagan responded that he had liked "the whole tone" of the draft language.

But he added that aides studying the draft communiqué "saw where there could have been certain ambiguities in there that would not achieve the general thought of what was being proposed."

U.S. officials were suspicious about the language, feeling it was too imprecise.

SUMMIT BRIEFS

Reagan Again Muffs Russian Lines

MOSCOW (Reuters) — President Ronald Reagan fired a last-minute salvo Thursday in the battle of the proverbs, but it went right by a baffled Mikhail S. Gorbachev.

In his Kremlin farewell speech, he attempted to say, using Russian words, "The forest blooms from Whitsunday onward," as an assessment of the summit meetings since he arrived in Moscow on Whitsunday.

The proverb left Mr. Gorbachev and his wife, Raisa, looking just as puzzled as when Mr. Reagan stumbled over another traditional Russian saying in his arrival speech. Mr. Reagan attempted to say, "It was born, it wasn't rushed" upon his arrival in Moscow, implying that agreements should not be rushed. Bemused Russians watching the speech on television had difficulty understanding a word because of the president's pronunciation.

Shultz Tells of KGB Encounter

BRUSSELS (Reuters) — Secretary of State George P. Shultz drew laughter from fellow NATO foreign ministers on Thursday when he told them about a brush he had with the KGB in Moscow, diplomats reported.

Mr. Shultz said the incident occurred after a dinner when Mikhail S. Gorbachev invited him to see a particular part of the Kremlin. Mr. Shultz briefly lost track of his host as he turned to say goodbye to Foreign Minister Eduard A. Shevardnadze. When he moved to follow Mr. Gorbachev, he found his way barred by an armed KGB official who at first refused to let him pass.

When the incident had been sorted out, Mr. Gorbachev asked, "You aren't afraid of the KGB, are you?" Mr. Shultz replied that he was when the other party was carrying a weapon.

Native American Disputes Reagan

BAYFIELD, Wisconsin — President Ronald Reagan's statement that American Indians were given reservations to "humor" them undermines U.S. criticism of the way the Soviets treat their minorities, an Indian businessman said.

"It belies a real lack of any understanding of American history," said James Schlender, executive administrator of the Great Lakes Fish and Wildlife Commission. In remarks to students, Mr. Reagan said that "maybe we made a mistake" in trying to maintain Indian cultures.

"Maybe we should not have humored them in that, wanting to stay in that kind of primitive life-style. Maybe we should have said, 'No, come join us. Be citizens along with the rest of us.'"

"If we were just being humored, the joke's on you," Mr. Schlender remarked. "Give us our land back."

Gorbachev Gets Peace Pipe

MOSCOW — Mikhail S. Gorbachev, in a relaxed mood, spent three hours talking about peace with delegates of anti-war and religious groups late Thursday and received presents from around the world. When American Indians from Arizona gave him a peace pipe, Mr. Gorbachev said, "I don't smoke, but I'll accept it."

Asked about Mr. Reagan's changes in rhetoric from the time he described the Soviet Union as an "evil empire," Mr. Lott said, "Gorbachev is different from his two predecessors and some good things are happening there, although not enough."

A Secret Outs On Gift Video

New York Times Service
NEW YORK — When President Ronald Reagan gave Mikhail S. Gorbachev a videotape of a 1956 U.S. movie, "Friendly Persuasion," he did not mention that the screenwriter, unmentioned in the film's credits, was Michael Wilson, who was blacklisted in the 1950s on suspicion of being a Communist.

Mr. Reagan called the film "an American classic" and offered it Monday as a toast to "friendly persuasion" in superpower negotiations.

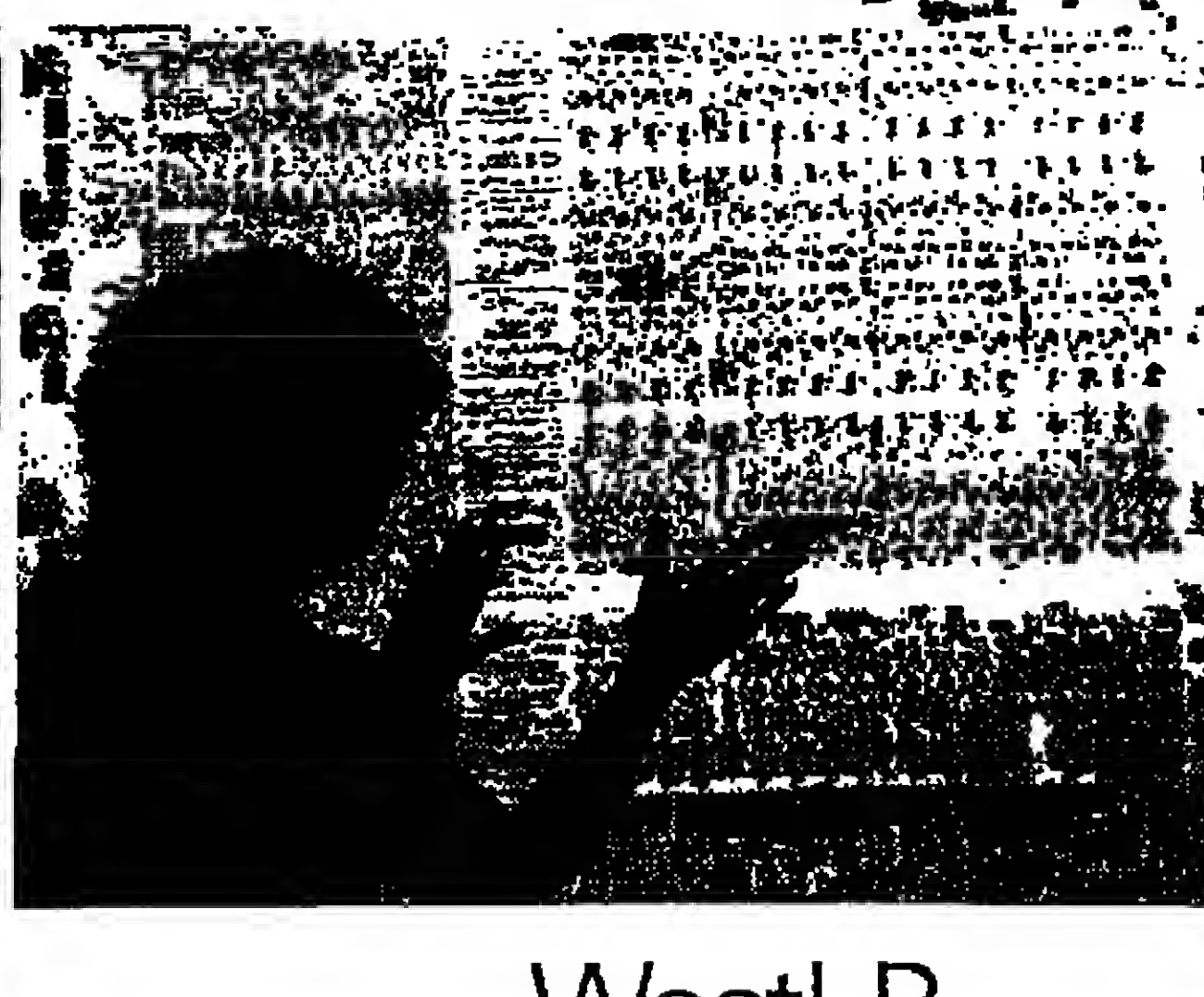
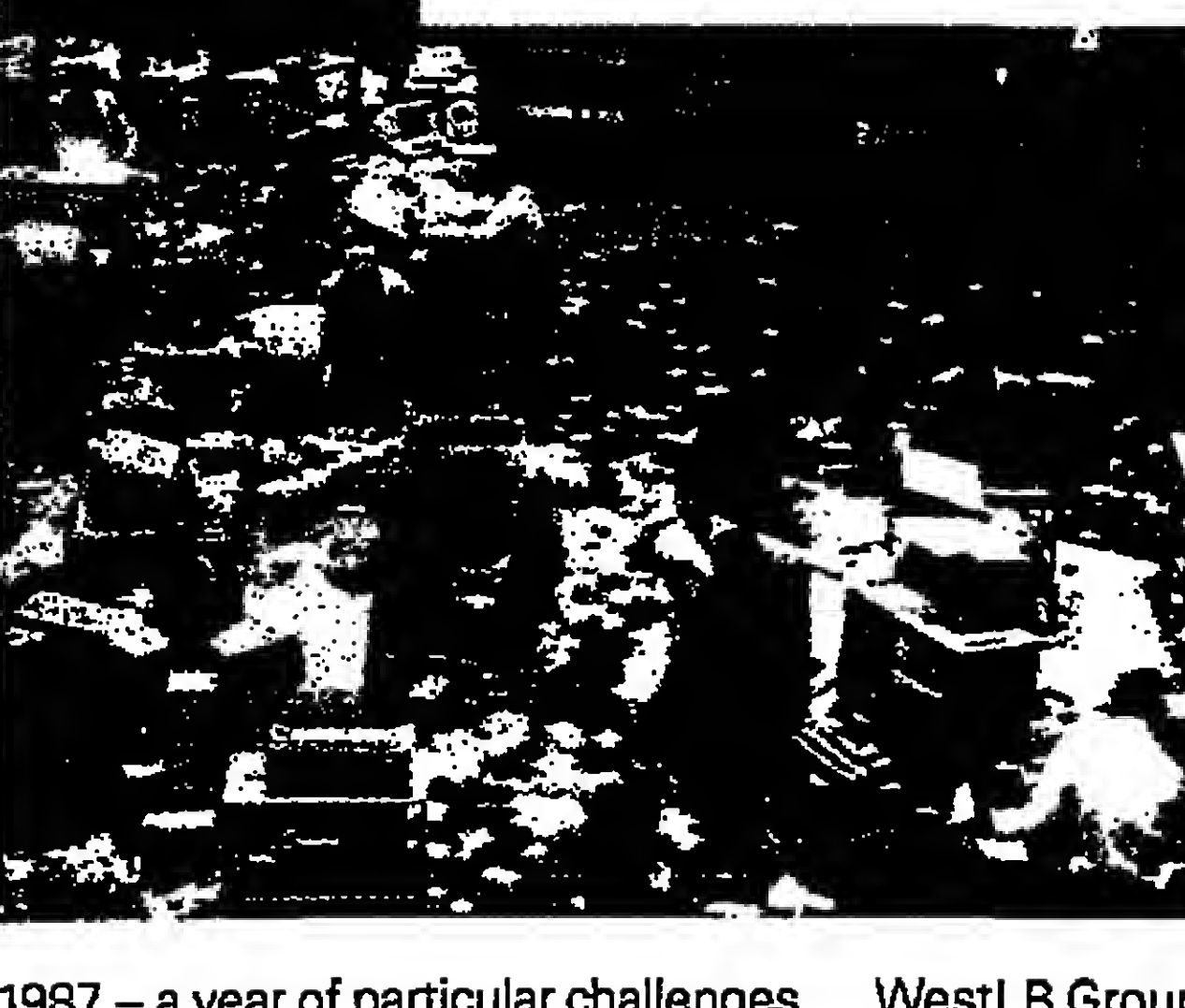
The screenwriter, who died in 1978, shared an Academy Award in 1951 for best screenplay for "A Place in the Sun."

DM 197,314,226,782.56 at work.

Worldwide Entertainment advertisement for 'What's the Crazy Horse?' featuring a horse image and show details.

Quimper advertisement for Faience, featuring a woman in traditional dress and contact information.

Baccarat advertisement for Crystal gifts & tableware, featuring a chandelier image and contact information.



1987 — a year of particular challenges. With its operating result of almost DM 1 billion, WestLB has once again demonstrated earnings stability. This is the result of a compact universal bank tackling its customers' needs in ever-changing markets. International capital markets are on the move: new techniques, new services, new products. For customers this means new opportunities. For WestLB this means transforming financial needs into assets which meet investors' interests.

Table with 2 columns: 1987, 1986. Rows include Business Volume, Total Assets, Capital and Reserves, Operating Result, and Disposable Profit.

Backing the process of economic growth, promoting and funding business ventures, financing innovation — these have always been a major part of our overall strategy.

OPINION

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Summit: Glad It's Over

It was exciting to have President Reagan in Moscow, but, truth be told, it will be good to have him out. The need he apparently felt to soften his human rights tone was leading him to attribute Soviet lapses to some neutral unworkable "bureaucracy." He was becoming less an attentive observer than something of an unctuous booster of Soviet reform.

U.S. confidence in arms control would be strengthened by seeing Moscow comply with the unprecedented missile dismantlements and verification intrusions of the INF Treaty. This work, to start in weeks, should help in the essential task of broadening political support for a sound strategic arms treaty.

Beware of the Mullahs

It is mid-October. A candidate for president trails badly in the polls. But then he dramatically announces the freeing of several hostages in Beirut. He insists this came about because of his skillful, informal diplomacy. He promised no more in return, he says, than to normalize diplomatic ties with Iran and to release Iranian funds still blocked in U.S. accounts.

American was kidnapped, the Reverend Benjamin Weir, with five more to follow. Then began the protracted secret negotiations in which Iran toyed with the White House, building hopes that Americans might be freed just before the 1984 presidential election — and then again just before the 1986 congressional elections.

Gridlock in the Sky?

It is that sweaty-palm time of year inside airports and up in the clouds when all the frequent fliers and not-so-frequent seasonal travelers converge into one big summer-long version of rush hour in the skies. How dangerous is it? So far, nobody has reported sighting an actual Gridlock Aloft over America; but last year at this time, there was intense public as well as official concern about air safety and about delayed or nonexistent flights.

As for service, the statistics show the 14 largest U.S. carriers operating 78.8 percent of their flights on time in March, compared with 74.7 percent in February and a low of 66.4 percent in December 1987. Passenger reports of mishandled baggage numbered 7.48 for every 1,000 in March, compared with 8.75 in February and 11.83 in January.

Other Comment

Hanoi and the Politics of Aid

Hanoi has said that three million of its people face starvation unless the world exports 108,000 tons of emergency food aid, as well as \$120 million worth of fertilizer needed for the next rice crop.

to reject [the] plea unless Vietnam withdraws its troops from Cambodia. Aid to Vietnam is more likely to help it tighten than to loosen its grip on Cambodia. Even if aid is not used to feed Vietnamese soldiers, it will reduce the need for Vietnam's leaders to transfer resources from Cambodia home.

We're Falling for the Gorbachev Hard Sell

By William Safire

MOSCOW — The pressure to embrace Mikhail Gorbachev as the apostle of democratization and disarmament proved too much for Ronald Reagan this week.

prepared American counterpart, explains that he was writing about the United States, not the Soviet Union, in the previous "era."



Reversing Our Failure as Custodians of the Planet

By Werner Fornos

WASHINGTON — Each generation of the human species has as its first responsibility the custodianship of the planet. Our generation is doing a miserable job.

meaning a loss of 14 million tons of world grain production a year.

Trafficking With Noriega: A Woeful, Farcical History

By Haynes Johnson

WASHINGTON — So Manuel Antonio Noriega said no deal is off. The Reagan administration should thank the good general.

New York Times report by Seymour M. Hersh, 3,880 words long and published under the headline "Panama Strongman Said to Trade in Drugs, Arms and Illicit Money," says: "A recent classified report by the Defense Intelligence Agency concludes that General Noriega, operating through a small band of top associates in the military, maintains tight control of drug and money-laundering activities by his associates in the Panama Defense Forces, according to one American official."

The Eyes of the World Can Help Chile

By Ariel Dorfman

DURHAM, North Carolina — For the first time in 15 years, the Chilean people stand a fighting chance of ridding themselves of their tyrant, General Augusto Pinochet.

dignity, the odds are against them. They need outside help.

100, 75 AND 50 YEARS AGO

1888: Victoria Turns 69 LONDON — The Queen's birthday was officially and popularly celebrated today [June 2] throughout the United Kingdom.

1938: Against Bolshevism MILAN — Halo-German solidarity was expressed in concrete action for the first time in the common opposition of the two countries to the invasion of Bolshevism in Western Europe, with Spain as a base, Count Galeazzo Ciano, the Italian Foreign Minister, declared when he opened the congress for the study of international relations here today [June 2].

1913: Immigration Bill WASHINGTON — Senator Dillingham of Vermont will introduce today [June 2] a bill restricting annual immigration from any country to 10 per cent the number of persons of a similar nationality resident in the United States at the time of the latest census.

Budget Man... Role of Govern... Applaud... The Changes

By Anthony Lewis BOSTON — Valery Solfer was a well-placed Soviet molecular biologist. In 1978 he applied to emigrate to Israel. He immediately lost his job and for 10 years was denied exit visa. He finally got out in March and is now a visiting professor at Ohio State University.

Most of us would see nothing special in that student question or other things that struck Dr. Solfer. His reaction is striking when I asked him how he viewed the recent scenes in Moscow. He was optimistic, even enthusiastic, about the summit meeting portents for Soviet society.

Mr. Gorbachev resented the emphasis that President Reagan put on human rights. Even the former U.S. ambassador, Malcolm Toon, who made his mark as a tough critic of the Soviet Union, said the president had done too much public bickering to be effective.

Richard Schifter, assistant secretary of state for human rights, warned against illusions. "The Soviet Union still a one-party state," he said. "KGB is still in place."

The fourth Reagan-Gorbachev meeting produced no breakthrough for the major political issues of arms control and regional conflict. Mr. Gorbachev said he was disappointed at the lack of progress toward the START arms-reduction agreement. The talks on Angola and Namibia ended without a wishful statement about the need for agreement by September.

But here again the process itself was important. For example, an American secretary of defense came to the Soviet Union for the first time. Frank Carlucci negotiated with the Soviet defense minister, Dmitri Yazov. That was a notable sign that two superpowers now accept the necessity, the unavoidability, of dealing with each other on the hardest questions of war and peace.

For Ronald Reagan to say such things was a wonder. When asked what had happened to him or to the world since he denounced "the evil empire," he gave lame answers. But nobody could fail to see that he believed Mr. Gorbachev wanted real change and that he wanted to help. There had been, he said Wednesday, a "profound change of policy" in the Soviet Union.

The very fact of a U.S. president spending four public days in Moscow may contribute to the opening of Soviet society. Valery Solfer recalled the disappointment when Dwight Eisenhower's planned visit was canceled. The Reagan-Gorbachev meetings in Moscow, he said, "will help to change stereotypes and open Soviet minds to the world."

U.S. Tr... Criticizes 2...

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1978-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen LEE W. HUEBNER, Publisher JOHN VINOCUR, Executive Editor • WALTER WELLS, News Editor • SAMUEL ABE, KATHERINE KNORR and CHARLES MITCHELLMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages • JAMES R. CRATE, Business Financial Editor • RENÉ BONDY, Deputy Publisher • ALAIN LECOUR and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISONS, Circulation Director • ROLF D. KRANEFUHL, Advertising Sales Director • KOURDT HOWELL, Director, Information Systems International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Tel.: (1) 46 37 93 00. Telex: Advertising, 612832; Circulation, 612718; Production, 630698. Directeur de la publication: Walter N. Thayer. Editor for Asia: Michael Richardson, 5 Conventry Road, Singapore 0511. Tel. 472-7768. Telex RS5928. Managing Dir. Asia: Makoto Goto, 50 Gloucester Road, Hong Kong, Tel. 53610616. Telex: 61170. Managing Dir. U.K.: Robin MacKichan, 63 Long Acre, London W.C.2. Tel. 836-4802. Telex: 262009. Gen. Mgr. W. Germany: W. Lautbach, Friedrichstr. 15, 6000 Frankfurt/M. Tel. (059) 735753. Telex: 416271. Pres. U.S.: Michael Conway, 830 Third Avenue, New York, N.Y. 10022. Tel. (212) 752-3890. Telex: 427175. S.A. au capital de 1.200.000 F. RCS Nanterre B 2301126. Comptabilité Rendire No 61337 © 1988, International Herald Tribune. All rights reserved. ISSN: 0294-8032.

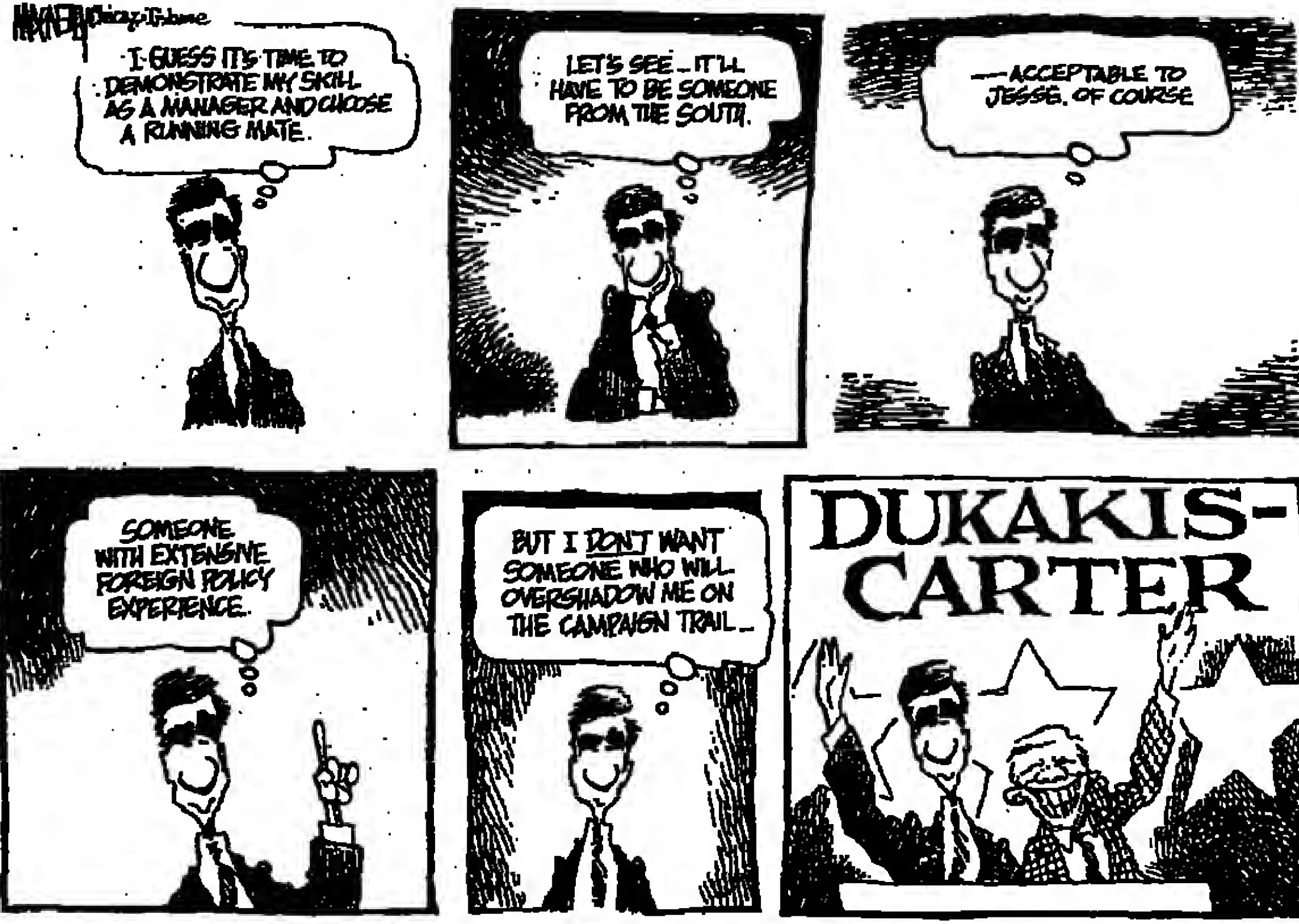
OPINION



Jackson's Budget Manifesto And the Role of Government

By Robert J. Samuelson

WASHINGTON — The Reverend Jesse Jackson's budget plan needs to be taken seriously. With it, he establishes an elaborate liberal agenda and himself as its champion. Mr. Jackson may not be elected president in 1988, but his ideas will exert a powerful influence on the left wing of the Democratic Party. Like Ronald Reagan, Mr. Jackson has a clear and compelling vision of what government should do.



LETTERS TO THE EDITOR

Dealing With the Drug Issue: For and Against Legalization

Regarding "Legalizing Drugs Isn't The Way" (April 23): A.M. Rosenthal writes that children who take crack, a potent derivative of cocaine, are lost quickly. But he misses the point. Crack is already abundant and would not become more tempting if legalized. It is not the illegality that restrains drug use; occasionally illegality makes drugs alluring to the young.

The Iconoclast From Waco Could Make a Shotgun Sing

The Iconoclast From Waco Could Make a Shotgun Sing

By Joe Murray

WACO, Texas — I doubt you'll ever hear of "O Dammit!" on or off Broadway. Being mainly a Texas play, Broadway would consider it off the face of the earth.

average of 5.6 percent (airport and en route charges) is eye-catching and biased. It is also misleading as it lumps together airport charges, en route charges, and other unrelated charges imposed on airlines by a variety of authorities. Airport authorities are only responsible for the airport charges they themselves levy.

Bush Criticizes 2 Right-Wingers in Party

By Gerald M. Boyd
NEW YORK TIMES SERVICE
KENNEBUNKPORT, Maine — Vice President George H.W. Bush has dismissed two outspoken conservatives, Richard A. Viguerie and Howard J. Phillips, as part of a move to streamline the party's platform.

Duarte Has Cancer; His Condition Is Grave

The Associated Press
SAN SALVADOR — President José Napoleón Duarte is being treated in the United States for cancer of the stomach and liver and is on the verge of death, according to the acting chief executive of El Salvador.

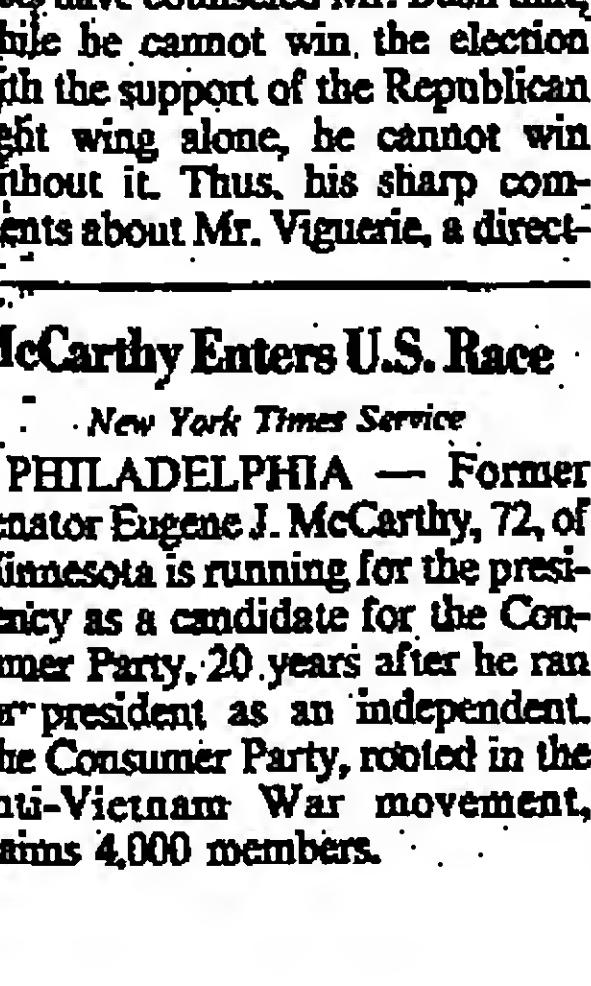


José Napoleón Duarte leaving for treatment in the United States

U.S. Troops Weigh Responses to Harassment by Noriega

By William Branigan
WASHINGTON POST SERVICE
PANAMA CITY — Amid inter-agency debate over how to achieve the removal of General Manuel Antonio Noriega, the U.S. Southern Command is preparing to take a harder line against what is seen as increasing harassment by Noriega forces, sources here say.

DOONESBURY



McCarthy Enters U.S. Race

PHILADELPHIA — Former Senator Eugene J. McCarthy, 72, of Minnesota is running for the presidency as a candidate for the Conservative Party, 20 years after he ran for president as an independent.

FARS WGO

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TRAVEL

- Russia's Medieval Legacy
- Disappointing Restaurants
- The Frequent Traveler

International Herald Tribune

TRAVELER'S CHOICE

Canada's National Gallery

The National Gallery of Canada opened last month in Ottawa, providing the national art collection of nearly 40,000 works (paintings, sculpture, decorative arts, silver, prints, drawings and photographs) with its first permanent home. The new gallery, designed by the Canadian architect Moshe Safdie and built of glass and Quebec granite, sits above the Ottawa River and faces the Parliament buildings. The bulk of the collection is devoted to Canadian art, but includes Canada's richest holdings of European art and 13 galleries devoted to postwar international art. A permanent exhibition devoted to Eskimo culture displays 160 Inuit sculptures. The museum's first major exhibition, opening June 16, is a retrospective of the work of Edgar Degas, recently seen in Paris.

Crafts, Antiques in London

Displayed in an oriental-style bazaar at London's Zama Gallery is a wide range of traditional craft work of Central Asia—metalwork by Turkoman tribesmen, woodwork from Pakistan, Afghan pottery, and cushions, rugs, embroidery and jewelry. Several lectures are planned in conjunction with the sales, which continue until July 30 (Zama Gallery, 1 Cromwell Gardens, SW7). Closer to home, the Grosvenor House Antiques Fair June 9 to 18 displays British dealers' finest antiques and objets d'art. The show includes an exhibition of fine silver from Dunham Massey, a National Trust property, Grosvenor House, Park Lane, London, W1.

In Footsteps of Thomas Hardy

England's foremost regional writer, Thomas Hardy (1895-1928), provides the inspiration for a series of literary pilgrimages this season to Wessex, the country he made famous. The itinerary includes Hardy's birthplace, Bockhampton, and a night's stay in the 15th-century manor house, Maiden Newton, the "Chalk Newton" of "Tess of the D'Urbervilles." The tours coincide with the 60th anniversary of the author's death and take in the principal sites of Hardy's Wessex—Dorsetshire and the southwest English counties. The tours for one, three or seven days are conducted by Hardy specialists and limited to groups of 15. They are scheduled until October. The three-day tours, which begin in London, cost £268 (about \$670). Information: Inghild Enterprises, St. Peter's Cottage, Catstock, Dorchester, Dorset DT2 0JD. Tel: (030) 20-671.

Roving Fireworks Spectacular

Fireworks may mean the Fourth of July to most Americans, but there will also be fireworks at special events being staged around the United States this summer, thanks to Madison Avenue. In what might be described as an explosive traveling commercial, Lever Brothers Company is for the second year staging its traveling fireworks tour around the United States, produced by the Gnucci family fireworks firm. Fireworks buffs will be able to catch it at several events, including the Harbor Expo in Baltimore on June 18; the Milwaukee Summerfest on July 1; the Kool-Jazz Festival in Philadelphia on Aug. 19; the Starwheel Regatta in Charleston, West Virginia, on Sept. 4 and the St. Louis Arts Festival on Oct. 7.

Swiss Sounds of Jazz

The sounds of jazz will be heard in Switzerland all summer. The string of events starts with New Orleans Jazz Festivals in Lugano June 17 to 19 and Ascona June 24 to July 3. The action moves to Montreux with its 22d International Jazz Festival July 2 to 17. There will be an open-air jazz festival in Solothurn Aug. 26 to 27, then a four-day jazz festival in Willisau, near Lucerne, Sept. 1 to 4.

Starring in 'Star Trek'

For "Star Trek" fans, an attraction coming June 9 to Universal Studios in Los Angeles offers a chance to step into the world of Captain Kirk and Mr. Spock. People taking the daily tour of Universal Studios can act out parts in a "Star Trek" adventure, with costumes, sets and special effects. The scenes will be edited together with footage from the movies and combined with computer-generated special effects. The seven-minute episode will be played back a few minutes later. The would-be stars, selected from the audience, will portray crew members, Klingons and aliens on a sound stage fitted with replicas of the Enterprise. To star in the adventure costs nothing, but the price into Universal Studios for the day is \$17.50. Copies of a show cost about \$30.

Prague Takes Off The Scaffolding



Photographs by John Coppo-Van Handel

by Robert K. McCabe

PRAGUE — If there's a world championship of civic beauty, Prague is right up there on top with Paris. Despite the tragedies that have marked its history over the centuries since it was founded a thousand years ago, the heart of the Czechoslovak capital today overflows with superb buildings in a multitude of styles.

There is 13th-century Romanesque on view, as well as flat-out Modern, and just about everything in between except Cape Cod Salt

Over much of the last decade, however, that had not seemed so. Central Prague's beauty was hidden beneath a maze of scabrous boardings, blackened wood and rusty scaffolding that forced up memories of the city's darkest days. No more. Now much (but not all) of that ugliness has been stripped away. The ancient center of the city is suddenly on brilliant, fresh-as-paint display. Romanesque, Gothic, Renaissance, Baroque buildings, all newly renovated, vie for attention, and a thoughtful and far-ranging renovation program jogs right along.

The centerpiece is the Royal Road, a cobbled street of two kilometers (1.2 miles) running from the 15th century Powder Tower, on the eastern edge of the Old City, along Celetna Street westward across the statue-lined Charles Bridge and up to the somber heights of Hradcany, the hill crowned by Prague Castle. Tradition has it that this was the route followed by the kings of Bohemia during their coronations.



Stone Bell House, restored.

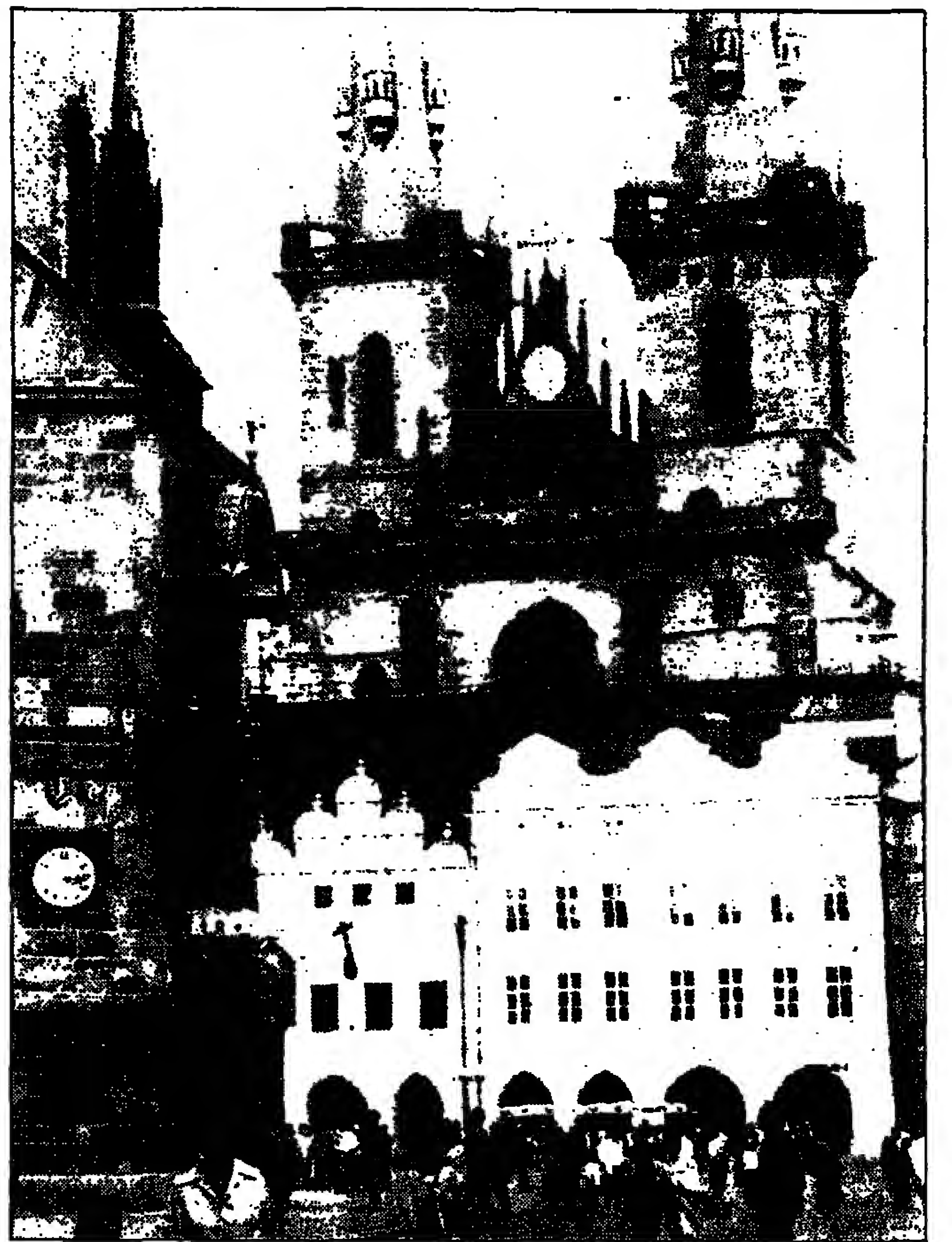
Box. There are those who argue that the heart of this glowing city on the Vltava is more a living museum of architecture than a national capital, and on a long spring evening in one of the livelier wine taverns, that logic seems unassailable.

So far, only the first stage of the route has been restored. But this section, between the Powder Tower and the Old Town Square (Staromestske Namesti), not only is a sample of what is to come but a showcase of the best in Prague. And vehicles are banned; it's all a pedestrian zone. So far, about 52 buildings have been renovated in this area at a cost of more than \$31 million.

Lining both sinuous Celetna and the square are prime examples of all Prague's major styles of architecture. The darkly Gothic Týn Church, at the eastern side of the square, dates back to the 14th century. Nearby is the Baroque Kinsky Palace, assembled in the late 18th century from four medieval buildings, and across the way is the 14th century Old Town Hall, which comprises at least 15 multicolored facades, partially destroyed by German troops during Prague's liberation 43 years ago last month. Part of the damaged section was deliberately left unrestored.

But the jewel of the lot—and the

Above, Old Town Square (Staromestske Namesti) with the Kinsky Palace on the right; right, the Gothic Týn Church.



biggest surprise—is the Stone Bell House, said Dr. Jan Mraz, director of the State Institute for Reconstruction of Historic Towns and Monuments in Prague. Until the 1960s, when repairs began, he said, the house had seemed to be neo-Baroque, dating from the late 19th century. But when renovation began, workers discovered a much older house behind that facade, one with elements built in the 13th century.

It was in fact a palace, possibly the property of Queen Eliska Premyslid, in its earlier incarnation. Over the next three centuries, a succession of patrician owners added to its grandeur. Then, sometime after 1685, the house was rescaled. Three stories were crammed into a

structure intended for just two levels. Much of the original Gothic embellishments were scrapped. In 1899, the neo-Baroque facade was stuck on, to be peeled away only in the 1970s.

During its long renovation, which began in 1973, elements from many periods in the house's history have been preserved. The cellar and chapel, for example, date to the 13th century, murals to

the 14th century, and portals from the 14th and 15th.

Just as the Stone Bell House incorporates a bit of the best from six centuries, so does the Royal Road. At the east end, for example, is The House of the Black Virgin, built in Cubist style by the architect Josef Gocar in 1912.

There's the cream and tan Mahard Palace, built in about 1700,

which houses one of Prague's best wine restaurants (U Pavolka, or The Spider) in its capacious cellars and has two fine statues, one an original, in its courtyard.

And there is the spectacular Town Clock, housed in the Old Town Hall, which has drawn spectators since 1490 to the spectacle of its clockwork figures going through

Continued on page 9

Berwick, Nearly Scotland

by Anne Wilson

BERWICK-UPON-TWEED, England — The cry of seagulls and the slow beat of the white swan's wings as they rise from the River Tweed symbolize the haunting, isolated beauty of

Berwick-upon-Tweed. The river dictates the lie of the town. It comes in a wide sweep to meet the sea, enfolding the town in a near complete embrace of water.

The northernmost town in England, Berwick is a place of red pantile roofs and stately, gray Georgian houses enclosed by

well-preserved Elizabethan walls that are a reminder of its embattled past. Sir Nikolaus Pevsner, in "The Buildings of England," describes it as "one of the most exciting towns in England, a real town, with the strongest sense of enclosure... with hardly an irritating building anywhere."

Berwick, two miles south of the Scottish border, changed hands 14 times between England and Scotland before it was claimed finally by the English in 1482. Its loyalties are still divided; the question whether Berwick is essentially Scottish or essentially English is still a sensitive one. The Berwick accent betrays the ambivalence—it is an extraordinary combination of Scottish and Geordie, the accent of Newcastle, 60 miles to the south.

HERE on one of the least inhabited coasts of England (Berwick's population is only about 11,000) long stretches of white sand lie beside a cold turbulent sea. There are mud flats frequented by rare sea birds and rocky islands inhabited only by birds and seals. Inland the Cheviot Hills are scattered with castles, reminders of centuries of border conflict. Six miles south of Berwick is Holy Island, reached by a manmade causeway at low tide, where St. Cuthbert lived and prayed in the early days of British Christianity and where, after his death, the Lindisfarne gospels were written and illuminated. A 12th-century church and the ruins of a 13th-century monastery still remain.

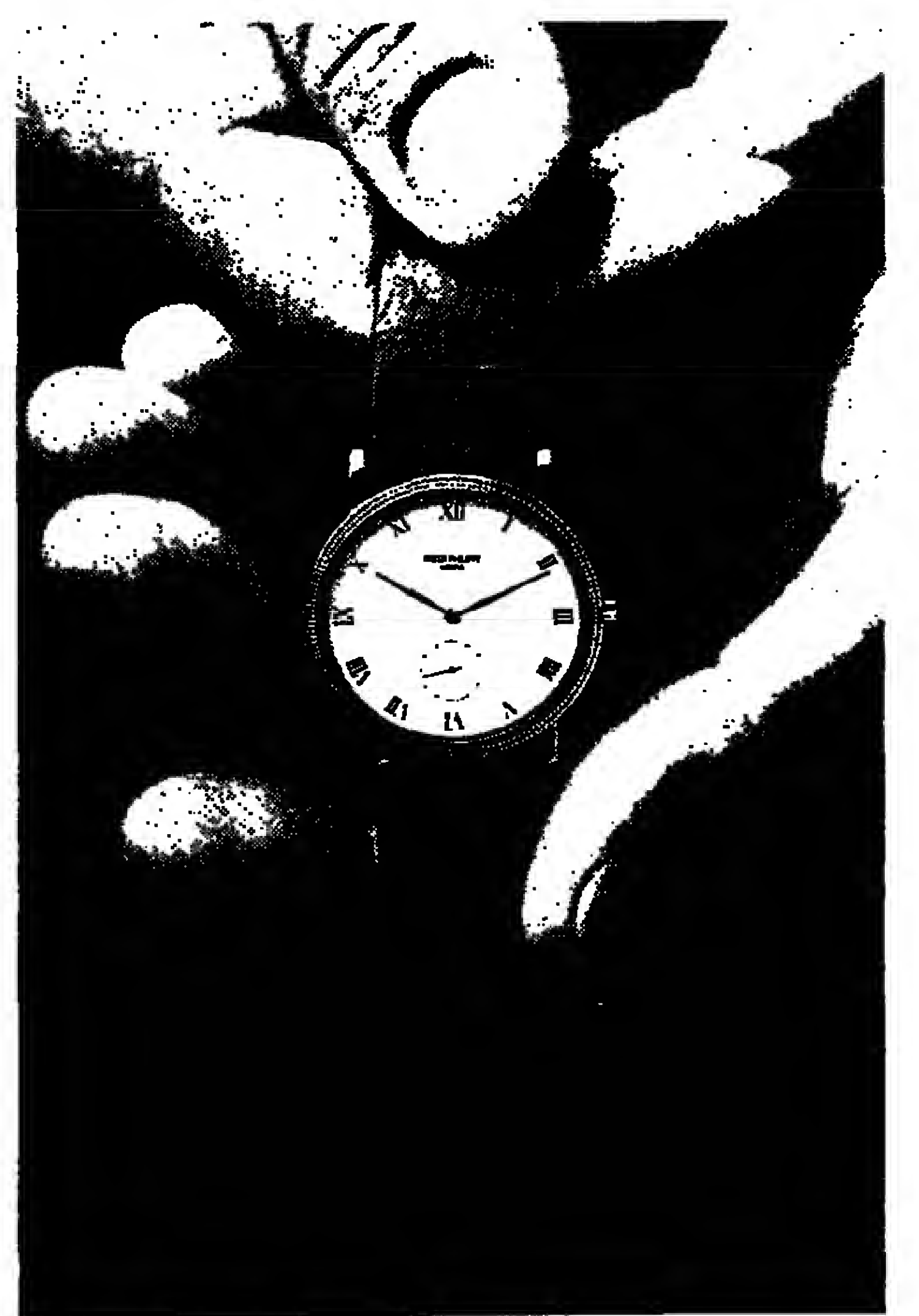
The Elizabethan walls provide a perfect way to see the town on

foot. (The distance is just over a mile and a trail leaflet is available from the Tourist Information Center.) Staring at Scotgate, a triple Victorian arch through the walls, a path leads up to a bastion called Meg's Mount. From here there are fine views of the Tweed, the coast as far down as Holy Island and the Cheviot Hills. You can also compare the three bridges that cross the river, each from a different era—the 19th-century arched railway bridge, a great feat of engineering in its day; the concrete Royal Tweed, completed in 1928; and the stone Old Berwick, which dates to the 17th century. Also visible, if the tide is right, are the cobbles on the river—shallow fishing boats of a traditional Northumberland design that have been used in this area for centuries.

From Meg's Mount the path goes down beside the Tweed. This section of the wall is largely Georgian, built at a lower level and attached to the medieval fortifications. Quay Walls, the small row of houses on the quayside, is a good example of the restoration that has been done in Berwick in the last few years, causing some observers to suggest that it is fast becoming the best preserved town in Europe. The granaries and merchants' houses have been restored to full Georgian glory; the pathway has been relaid, iron railings replaced and the 19th-century gas lamps renewed. The houses are tall and elegant, each with a different design, incorporating idiosyncratic features. No. 21, for example, once

Continued on page 9

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TRAVEL

Golden Ring: Medieval Russia's Legacy

by Felicity Barringer

AS YOU approach Suzdal on a sultry day, one thing stands out from afar: the dome over the entrance gate of the Convent of the Intercession, a lone patch of gold that seems to catch the sunlight and send it, shimmering, into the long, level distance.

It is the domes that linger in the mind after a visit to Suzdal, Vladimir, Yaroslavl, Rostov and Zagorsk, the medieval towns that make up the heart of what Russians call the Golden Ring—a slight misnomer, since the towns are spread out to the east, northeast and north of Moscow.

The domes of the Golden Ring towns and their northwesterly cousins, Novgorod and Pskov, are the clearest legacy of the medieval Russian spirit reaching up from mud to glory. In the same way, the earthworks and the stone or brick battlements that ring the towns' kremlins, or central fortresses, are reminders of the almost perpetual state of siege in which their people lived.

From the north came Swedes and Finns; from the northwest, Lithuanians and Poles; from the west, Teutonic knights; from the south, Tartars, and from the east, Mongols. The medieval Russians looked over the battlements to hostile horizons, while within their builders created churches.

The towns grew to glory in the 10th through 12th centuries and faded under the Tartar onslaught in the first half of the 13th. They were suppressed during the two centuries of what is called the "Tartar yoke," but experienced some renewal in the 16th and 17th centuries.

The towering whitewashed churches and the domes of green, gold and star-dotted blue are in many cases hybrids of these periods. The churches took inspiration from Byzantine architecture and from the tall tentlike constructions of the northern pagans and melded both influences into a complex architectural form that has become a metaphor for what is Russian. To see the towns and their churches and to hear of the persevering faith of their monks—who, between wars, ran feudal domains with up to 10,000 serfs—is to gain a sense of a national spirit shaped by centuries of conquest and threat.

To see them can require some perseverance and endurance as well—particularly this summer, which marks the 1000th anniversary of Christianity in what is now Soviet territory, an observance that is sure to draw many visitors. Zagorsk, the closest of the towns to Moscow, is about 90 minutes by bus. Vladimir and Suzdal are usually paired in excursions, as are Yaroslavl and Rostov. Both journeys are four hours by bus from the capital.

Intourist arranges all tours, and the price of transportation, guide and admission to various buildings and museums is included in an overall fee. Intourist is currently discouraging overnight stays in Yaroslavl and Rostov, where many of the hotels are under going renovation, but good hotels are available in Novgorod and Suzdal. An excursion to Zagorsk takes a little more than half a day.



The Monastery of Our Saviour in Suzdal.

In most cases the monuments, churches and museums are open from 9 A.M. to 5 P.M. Some, although not all, close for an hour's lunch break, usually (but not always) between 2 and 3 P.M.

It's a good idea before departure to ask Intourist to check the closing days for leading monuments (each has one a week, and

To see the towns and their churches and to hear of the persevering faith of their monks is to gain a sense of a national spirit shaped by centuries of conquest and threat.

they are not the same) and which are under repair. Also be aware that in some towns, including Yaroslavl and Rostov, old churches with fragile frescoes close from late October until early May.

Suzdal and Vladimir

In Suzdal, there is a large hotel-motel complex with restaurant, swimming pool and sauna. Even better—though difficult to get—is a room in a log cabin inside Suzdal's Convent of the Intercession, the Pokrovsky Monastery. There is a fine restaurant in the convent's refectory.

The Pokrovsky Monastery bears a close look for its architecture and for its history as home to a number of cast-off Russian consorts, including Yevdokia Lopukhina, the first wife of Peter the Great, who "lived like a czarina, not a nun," according to a local guide. There are four other monasteries in Suzdal and a museum of 19th-century Russian life with a magnificent wooden church, its domes shingled with aspen. There is also one church in use—the Church of the Emperor Constantine.

The heart of the town, however, is the kremlin and the Church of the Nativity, with its sky-blue domes and their gold stars (recently removed for polishing). The gold-etched, carved wooden gates of the church, covered with scenes from the Gospels, are a masterpiece of a Byzantine form of carving and gilded waxed copper plates done in the 13th century. Above them is the bell tower, crowned with a traditional tent roof.

In Vladimir, 22 miles away, it is possible to see some of the few frescoes of Andrei Rublyev, the icon painter who was to the Russian Middle Ages what Michelangelo and Leonardo da Vinci were to the Italian Renaissance. These are in the Uspensky Cathedral, on the city's main thoroughfare.

The cathedral, a 12th-century masterpiece, is still in use, making Sundays a good time to see an Orthodox service. It is possible to stay at the Vladimir Hotel, but nearby Suzdal makes a better base. Intourist prices for a one-day excursion to both Suzdal and Vladimir range from about \$260 for an individual trip—including a guide and a car but not meals—to \$52 a person for groups of 10 or more, including guide and bus transportation. The hotels mentioned above charge about \$100 for a double room. Individual excursions with a guide cost \$33 to \$50 and last two to three hours.

Rostov

The bells of Rostov were silenced for years, like many others in the country, in part because of the closing and dismemberment of churches from the 20s through the Khrushchev era. This spring, they have begun to chime again from the belfry of the kremlin on Saturday and Sunday. Their sound evokes the 17th century, when Rostov (then Rostov the Great) was the seat of one Jonah, a leading metropolitan of the Russian Orthodox Church. The kremlin is part of a sweeping ensemble of churches and monasteries whose forest of crosses gave rise to a legendary ditty in which the devil came to Rostov "but the crosses scared him off."

The town was founded on Lake Nero in pagan times and has at least one church

whose foundations date from the 13th century, but its most attractive features date from the 17th century, particularly the Church of the Resurrection and the Church of Our Saviour Over the Entrance Hall, whose frescoes by the artists Gury Nikitin and Sila Salvin from the town of Kostroma offer bursts of color in the cold interior.

Intourist charges \$225 for an individual one-day excursion to Rostov and Yaroslavl and \$38 a person for a group of 10 or more.

Yaroslavl

This is the town of the bear. Here, according to legend, Yaroslavl the Wise, son of the Prince Vladimir who introduced Christianity to Russia, brought the religion up to the northern forests, winning the respect of pagan tribes by killing an attacking bear. Home of the first Soviet woman astronaut, Valentina Tereshkova, Yaroslavl is bedecked with oil refineries and ringed with smoke.

But the town center is a piece of another world, broken off and dropped like a jewel amid the modern smog. Here refineries are replaced by 17th-century red-brick churches and the haze of smoke by the spectacular tilework on the Church of Elijah the Prophet and two older churches, the Korovinka Siboda ensemble that defines the skyline.

Yaroslavl is also home to one of the best icon museums in the Soviet Union, run by Irina Petrovna, who can date an icon by the inclination in a Madonna's head or the quality of sorrow in her eyes.

Intourist offers excursions to Yaroslavl in connection with its tour to Rostov, although you could book a separate trip at extra cost. Though Intourist has no hotel in Yaroslavl, there are 90 beds in the Hotel Yaroslavl (most double rooms, about \$85), with a good restaurant.

Zagorsk

This town houses the monastery of Trinity-St. Sergius, which Stalin gave back to the hierarchy of the Russian Orthodox Church for its help during World War II. From here, with the abbot's blessing, the Russian nobility set out to battle the Tartar invaders in 1380. Although the Russian victory in the ensuing battle of Kulikova was celebrated in song and story, it offered only a quarter-century of respite before the Tartars laid waste to town and monastery again.

In the next 150 years, the monastery was increasingly fortified while becoming famous as a Russian center of learning. By the time the Poles invaded in 1608, seeking to put a bogus "son" of Ivan IV (the Terrible) on the throne of the czars, the walls were more than 15 yards thick.

Even today, with a small Soviet manufacturing and agricultural town lying drably beside it, the structure dominates the skyline and the imagination. Befitting the monastery's martial history, several of its churches were built to mark military victories—most particularly the Uspensky (Assumption) Cathedral, which commemorates Ivan the Terrible's conquest of the Tartars at Kazan and Astrakhan.

The refectory has some of the complex's spriest, if not the most memorable, artwork. And the icon museum offers a sweeping look at the history of Russian iconography from the 10th century until well into the 18th. Admission is about 65 cents.

But most worth visiting is the 15th-century Trinity Cathedral, where the body of the monastery's founder lies in a silver sarcophagus. A Trinity by Dublyev once adorned the iconostasis; the original has been moved to the Tretyakov Gallery in Moscow (now closed), but a copy remains.

Novgorod

Though Novgorod is situated outside what is usually considered the Golden Ring, its history shares many of the calamities that befell the other medieval towns. But the town always had an independent streak and an ability to adjust and survive. The dove that is said to be Novgorod's symbol flies over the central dome of St. Sophia's Cathedral, signifying the town's most recent rebirth in the wake of destruction by Nazi troops during World War II.

Novgorod's distance from the capital requires an overnight stay and train accommodations. Tickets in the two-berth soft com-

partments (as opposed to four-berth hard compartments) cost about \$54. Hotel accommodations are provided by the Intourist hotel (\$100 double) or the simpler Sadko (\$66). Excursions (\$50 each) take you from St. Sophia's to the 12th-century Yuriev Monastery outside town.

If an Intourist car is not available, and often one is not, it is easy to book a taxi for yourself and a guide; the cost will probably run no higher than \$10 for a two-hour tour. A good, traditional Russian lunch can be had in the Delfines restaurant.

It is essential to see St. Sophia's and, if possible, the faceted chamber that displays many icons and such artifacts as birch-bark letters scratched out by ninth-century Novgorodians. (The chamber closes on an irregular basis.) For those not on a prepaid tour, admission is 65 cents.

Some of the most riveting frescoes in any of the medieval towns are found in a small Novgorod church with bizarre exterior decoration, the Church of the Transfiguration in St. Elijah Street. Inside are the only remaining in-place examples of the work of the great 14th-century Byzantine fresco artist Theophanes the Greek, called here by the merchants of the street to paint their new church. It is fitting that one of the greatest and most delicate works in the town should



Church of the Nativity in Yaroslavl.

be inspired by merchants—for Novgorod, like Oria in Italy, was a merchant town and a merchant's port. Even its greatest legend features a merchant, Sadko—a sort of Russian Sinbad.

Situated along the north-south river route from Scandinavia to Byzantium and an entry into Russia for Western Europeans, Novgorod was built on two sides of the River Volkhov. The "Sophia side," named for the cathedral, was the center of defense, religious worship and the city council. Church architecture on this side ranges from the 14th to the 18th centuries. On the other side were the churches and the now-vanished stalls of the merchants—the churches built at least in the case of the tallow-makers and the cloth-makers' guilds, in part to glorify God and in part to provide fireproof basement storage space for merchants' wares.

Novgorod, whose great warrior-leader Alexander Nevsky beat the Lithuanians and the Teutonic knights in separate battles, was the only one of the major Russian medieval towns not conquered by the Mongol golden horde. It was Nazi soldiers in the 20th century who destroyed the town, vandalizing 25 of the 26 churches, including large parts of the Sophia cathedral. They have been rebuilt where possible, making Novgorod the most recent example of a centuries-old tradition of renewal in the towns that have outlived their conquerors.

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THE FREQUENT TRAVELER

Picking a Conference Site When the Chips Are Down

by Roger Collis

IF YOUR only travel problem right now is deciding where to go on vacation, spare a thought for people who are stuck with organizing a conference. They may have their jobs on the line.

"A lot of people have been fired for choosing the wrong venue—which is the trickiest part—or through devoting so much time to the event that their other work suffers; typically, they visit the venue several times when they only need to see it once," says Anthony Gray-Forton, chairman of Meetings World Group in London, who claims to have organized 460 events in 62 countries. "A company went to Venice for its sales conference and found a pop group rehearsing in the room next door. The guy who arranged it—and who'd been out on five inspection trips—was fired on the second day."

The obvious moral is to get yourself professional help. This can come in various forms. There are consultants who will handle everything, from travel to production. You might simply hire a firm specializing in group travel and do the conference planning in house. By all means make use of convention and tourist offices, embassies, chambers of commerce and hotel chains. "There is so much help out there," Gray-Forton says.

Arthur Lyddall, travel manager for Chevron in London, says, "The first thing you have to consider is do I need some kind of incentive to make people attend? The smart thing is to choose somewhere that people normally wouldn't go to spend their own money. Then you have to think who your delegates are. Do you want sea and sun or museums? Even if you hold a conference in London for people who are based there, you might choose a venue 10 miles out with a golf course. Or people coming from abroad might like a country house type of place at Windsor. I would say almost every meeting should have an incentive, a reward aspect."

"Other things dictate the venue. For example, if you're going to have senior management visiting the conference with the main body staying there, you might choose a place on an easy commute, such as Brussels or Geneva. That's when you start getting influenced by preferences of the groups. An oil company might choose Rotterdam, so they can fit in a visit to the refinery, or Aberdeen to take them offshore."

"If I was looking at bringing people in from, say 50 countries, I'd probably plant them somewhere like London, Paris or Amsterdam, quite simply because they would not have to change flights. It is a question of time and cost—saving on overnight. Choosing a venue is getting people in and out," Gray-Forton says.

"Prague can be a good choice if your people are coming from the Far East and Europe, although if they are all coming from

one country you'd have a problem—the maximum frequency of flights is two a day. It is a fascinating East-West gateway and not that expensive. Most of the so-called glamorous places, such as Rio de Janeiro, Hong Kong, Acapulco and the Caribbean resorts attract incentive meetings. Sao Paulo and Rio certainly know what they're doing. And Havana. I was surprised at the professionalism of the conference center. . . . They are an air mile away from Hong Kong, the world leader; the one place where I could send an amateur for a conference and he or she would be made a success."

Some companies are turning to cruise ships as conference venues—especially for incentives and product launches. "Last year, Abbey Life staged its annual sales meeting on Sea Princess, cruising the Aegean," says Ken Clayton, a London-based consultant. "The people who have really got into this market are the Finns; the Finnjet (Silja Line) out of Helsinki is promoted as a conference venue. It has a 350-seat raked auditorium. Companies cruise in the Amazon and sail to China. You have limitless possibilities with a floating destination." And an organizer only has to deal with one supplier.

ONCE you have identified a venue (perhaps two or three)—a city or town with a suitable airport, you then need to check out the accommodation and conference facilities. Your check list would include things like, do they have break-out rooms for splitting up groups? Will you be clashing with another event, say the Monaco Grand Prix? Can you get 15,000 photocopies between midnight on a Sunday and 8 A.M.?

All the pundits say one thing: You must make an inspection trip to see for yourself. "A trip may not cost you anything," Gray-Forton says. Most hotels will cooperate with an agent or vice versa to give you a free visit. Or else they will charge you if you do not pick that venue."

"I'd say only one in a hundred travel agents has a track record with conferences," Gray-Forton says. "The obvious thing to do is go to your own travel agent and it's the obvious mistake."

How do you find the specialist for your needs? Gray-Forton recommends asking an association such as the Guild of Business Travel Agents in London, or EUROMIC (European Meetings, Incentives, Conferences) in Paris. You can also ask the Institute of Travel Managers, ACE (Association of Conference Executives) or ICCA (International Congress Convention Association).

Clayton believes it's best to talk to somebody who has organized a conference in another company. "But don't let the suppliers blind you with science. Know what you want to achieve and never be afraid to ask questions."

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 WORLD OF ART AND ART AUCTIONS

TRAVEL

Missing Touch In Bistro Meals

PARIS — How many times in our lives have we all been encouraged to make that extra effort, to give it one more try, to go the extra mile, to add that final touch that makes the difference?

PATRICIA WELLS

winner: The dark and heavy 1950s decor has been replaced by welcoming pastels, rustic stone floors, exposed stone walls and French doors opening onto a pocket-handkerchief terrace and the Seine beyond.

But as pleasant as the renovated Quai d'Orsay may be, it leaves one feeling just slightly cheated. And it would be so easy, almost effortless, to set it all straight. The lentils and sausage were OK, but why not spend a few more francs and get a really good-quality sausage de Mortaux, meaty and full-flavored, not overly stuffed with fat?

It was a warm, sunny day and when the menu offered turbot à l'huile d'olive, I jumped at it. What arrived was an anemic looking plate piled with layers of white. First mashed potatoes, then turbot, then shredded fried leeks.

I have nothing against white food, but the Quai d'Orsay's version of mashed potatoes, turbot and fried leeks was hardly original. José Lamproia of the Maison Blanche in Paris has been serving the same dish for a year or more, and L'Ambrosie's Bernard Pacaud offers a similar combination.

A few days later, at lunch at Marius et Janette, I thought again about going the extra mile. This popular fish restaurant, populated with handsome, well-heeled diners and a gracious, if imperious, staff, is one of the few restaurants in Paris to offer an authentic bouillabaisse. They know what goes into a good Mediterranean fish soup: rascasse and vive, grondin and congre, lotte and even a bit of turbot.

Again, what might have been a memorable experience wasn't for someone in the kitchen just didn't

care enough or know enough to exert himself. The fish was fresh, the preparation sound, but the first-course broth had no zip, no flavor. Bland bouillabaisse is worse than no bouillabaisse at all. And the peppery mayonnaise known as rouille was as blah as can be. It wouldn't have taken much — a little more attention to the broth, a touch more pepper to the sauce — to set it right.

On the other hand, those looking for a 200-franc lunch in a plushy comfortable setting (I'm a sucker for their red, white and blue Provencal linens, the cozy blue wicker chairs, the bright red awnings) should consider Marius et Janette on weekday afternoons. The fixed price menu that day included a generous helping of friture de scampi, giant shrimp fried in a delicate batter and served with a wonderfully peppery sauce, and super-fresh bar, showered with chips of garlic and bathed in the best olive oil in France, from the cooperative in Mauseanne-les-Alpilles.

ONE Paris chef who lives by the "we try harder" dictum is Lucette Rousseau, known to everyone simply as Lulu. For several years she has made a success out of her little Montparnasse bistro, L'Assiette, and a few days ago she realized a dream by opening a second, smaller bistro, for lunch only, but from noon until 4 P.M. The tiny Les Comestibles, fashioned simply out of a neighborhood epicure, is just the sort of spot we would all love in the neighborhood.

Each day, Lulu serves only crudites or salads and a plat du jour for a fixed price of 50 francs, while on Sundays diners sit elbow-to-elbow devouring her pot-stew rot, the main dish on the 100-franc menu.

Lulu still makes regular treks to the Rungis wholesale market, so you know her ingredients are fresh. Her crudites bear no resemblance to the corner café version: Fresh, assorted raw vegetables are bathed in a well-seasoned vinaigrette, and Lulu adds hearty portions of ratatouille (everyone asks for seconds, and gets them). The salad might be followed by contraillet au poivre and a potato grain one day, or a main-course platter of ratatouille with a poached egg on top the next.

In addition to her own creations, Lulu offers a line of superb artisanal charcuterie from her native southwest. From the Duprier family in Souprosse, in the Landes, she offers well-seasoned pork pâtés, foie gras, as well as a line of cassoulet and other preserved main courses. Wines and preserves may be purchased to take home.

Au Quai d'Orsay, 49 Quai d'Orsay, Paris 7; tel: 45.31.58.58. Open daily. Credit cards: American Express, Diners Club, Eurocard, Visa. Menu at 200 francs, weekdays only, including wine and service. A la carte, about 300 francs a person, including wine and service.

Marius et Janette, 4 Avenue George V, Paris 8; tel: 47.23.41.88. Closed Saturday and Sunday. Credit cards: American Express, Visa. Lunch menu at 200 francs, including service but not wine. A la carte, 400 to 500 francs, including wine and service.

Les Comestibles, 10 Rue de la Sablière, Paris 14; tel: 45.45.47.12. Lunch only. Closed Saturday. Credit card: Visa. Week days, 50 francs for either a first course and dessert or a main course. Sundays, 100-franc menu. Service included, but not wine.

Northernmost Town in England

Continued from page 7

the home of a Berwick artist, Thomas Sword Good, has lovely Venetian windows. The houses are built against the fortifications, with their main entrances on the walls and their basements plunging behind the walls to the street below. The houses on Wellington Terrace, which leads on from Quay Walls, are also worth a glance. No. 1, a black and white house with portico over the door and pretty stair windows at the back, has a design of whaling harpoons on its doors and railings. The original owner clearly made his wealth from the whaling industry that flourished in the 19th century.

The hill up towards King's Mount, where the walk rejoins the Elizabethan walls, was the center of Berwick's kipper trade. The smoke-houses are still there, although now they are private houses. From here to Windmill Mount and Brass Bastion, the views are of the sea about half a mile away; a sharp breeze blows in even on the mildest summer days and one is suddenly drawn from the neat Georgian atmosphere of the town to the raw pull of the sea and the wild deserted coastline. Here, too, the fortifications are at their most stark and the roar of cannon in the cold, salty air is easy to imagine. The town tower takes you into Brass Bastion as well as around the walls.

At Brass Bastion, you walk down past Holy Trinity Church (one of only two churches built in Cromwell's time) to the Barracks, one of the first barracks built in Britain. Work on the low, stone building around a central courtyard began in 1717.

The Barracks, now restored, house three museums. One is the Regimental Museum of the King's Own Scottish Borderers, displaying uniforms, equipment, arms, pictures and models relating to the regiment's history. It includes two reconstructed rooms: a barracks room of the 1730s, revealing the cramped lack of privacy endured by soldiers and their wives, and a Victorian soldiers' schoolroom. The English Heritage Exhibition depicts a soldier's life from Cromwell to Victoria. The third, the Art Gallery, consisting largely of Berwick's share of the Burrell Collection, includes French Impressionist paintings, 18th-century Venetian glassware, Japanese Imari pottery, medieval brass objects, Mycenaean section looks at modes of transport in local agriculture and fishing and provides a chance to take a closer look at a cable.

There are two other museums in Berwick, one of which has a com-

pellent if gruesome appeal. At the far end of Marygate is the Town Hall; the rear entrance takes you up to the Cell Block Museum. The guide delights in showing the tiny cells with their heavy doors and bolts, and the branding irons, whipping hooks and manacles that made 18th-century prison life an experience to avoid. The unspeakable conditions are neatly summed up in the curt report on the jail by Elizabeth Fry, the prison reformer, in 1819, which began, "Nothing can be much more defective than this small prison."

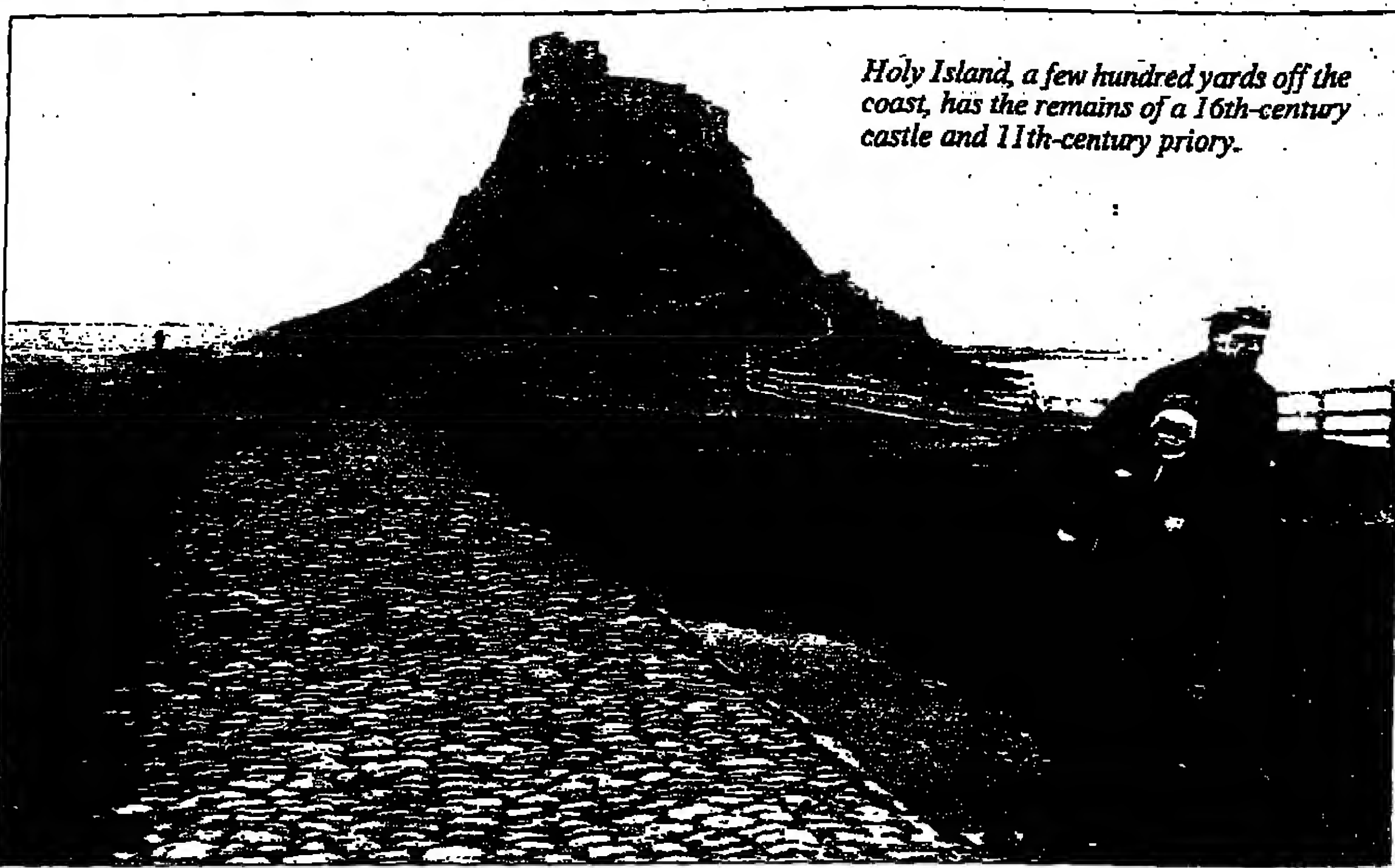
The Wine and Spirit Museum, by comparison, is slightly disappointing. There are some nice old bottles and a display of wine-making equipment, but the museum is essentially a tasting and buying point for Lindisfarne Mead, a sweet wine made according to a recipe devised by the Lindisfarne monks.

The barracks, ramparts, museums and restored houses can easily occupy the whole of a visitor's time. However, many of the shops are interesting. 100, Cowe's, the grocer's on Bridge Street, is the sole maker of a candy known as Berwick cookies, mint-flavored sweets

The restoration that has been done in Berwick in the last few years has caused some observers to suggest that it is fast becoming the best preserved town in Europe.

made in the shape of small clams. You can buy a fancy tin of them while marveling at the store's old-fashioned interior. The dark wooden counter, with provisions ranged neatly on shelves behind, is not the result of careful restoration — Cowe's simply has not changed its decor in the last half century.

The Black Sheep on Bridge Street sells hand-frame knitted sweaters in the popular sheep design for from \$15 in a child's size to \$52 for an adult. If the shop hasn't got the exact design you want, the knitters will make it up in colors of your choice. It also operates a mail-order service to any part of the world. In Marygate, next to the



Holy Island, a few hundred yards off the coast, has the remains of a 16th-century castle and 11th-century priory.

Town Hall, Jobson's and Game Fair stock hunting clothes and equipment — the best place to buy a deerstalker hat if you are on your way to stay with a Scottish land.

Many people go to Berwick not to see the town but to make a pilgrimage to Holy Island. The island lies only a few hundred yards off the coast and is reached by a paved causeway that is exposed only at low tide. A refuge box half-way along the causeway is testament to the few drivers each year who risk crossing when the waves are already lapping at the road. The tide comes in fast and furious on this part of the coast; the sea nearly always wins the race and the unfortunate driver is forced to abandon his car, climb to the refuge box and watch as the sea swamps it. Holy Island is small — about three miles long and a mile wide — and inhabited by a little less than 200 people, fishermen and farmers who are devout and proud, with a strong sense of their history.

The remains of the castle and priory are awe-inspiring. The 16th-century castle, built partly with stones from the ruined priory, has towers and turrets perched on an outcrop looking out to sea. It owes its existence to an order issued by King Edward VI that all havens be fortified against the Scots. The rooms are filled with English and Flemish furniture, mostly oak,

Castle, standing starkly against the Northumberland sky on a barbican overlooking the sea. Because of its isolated and virtually impregnable position, the castle avoided much of the bloodshed and destruction of the Border Wars, but it played a part in the Wars of the Roses and can probably claim the distinction of being the first English castle to be bombarded by cannon. The castle has an array of armor, porcelain, china, jade and furniture and the view from the ramparts is magnificent.

The Border region is full of castles, battlefields and historic sites. Within easy drive of Berwick is Flodden Field (the site of the last and most bloody battle fought in Northumberland, in 1513) and at least eight castles, each with its own story to tell. As well as these landmarks, the rolling countryside is full of pretty villages and farms and is good for hiking, fishing and touring.

The medieval Bamburgh Castle stands starkly against the Northumberland sky on a barbican overlooking the sea.

sacred ground. Transported back to the dawn of British Christianity, one imagines St. Cuthbert, that hermit monk, taking to his small cobbles to seek even further refuge from humanity on Inner Farne Island.

TOURISTS can follow in his footsteps. From Seahouses, nine miles south of Holy Island, boats take visitors to the Farne Islands to marvel at the variety of bird life and the seals. The trips cost the equivalent of about \$5.50 a person and \$4.50 for a landing fee, and they are certainly not luxurious (warm clothes and waterproofs are essential).

The best time to view the birds is in the breeding season from May to early July, but the seals are in evidence the year round. If you decide to go, choose a reputable boatman who has permission to land on the islands, as access is restricted. Billy Shiel, H.J. Harvey and MacKay's are reliable but the Information Center can advise on others. Bird lovers may be rewarded with eider ducks, shags, cormorants, oyster catchers, four species of tern, kittiwakes, guillemots and puffins. Seahouses is also a good place to buy locally smoked kippers.

Bamburgh, on the way to Seahouses from Holy Island, is worth a stop to see the medieval Bamburgh

and to build national pride in the Czech heritage." And he stresses that "our work here is closely connected with the cultural traditions of all Europe."

One is pollution, which is severely damaging Prague's buildings, statues and even paintings. Efforts to control pollution are continuing — one official notes that at least half the air pollution measured in Czechoslovakia is blown in from West German industrial areas. In many cases, the basic stone blocks themselves — which have stood up through five or six centuries — must be replaced, victims of our times.

Though facades are finished in Stage 1, many of the interiors remain to be refurbished. Mayer points out that the renovation is all-encompassing: Houses are re-plastered and rewired as well as restructured.

Who, finally, will live in the renovated buildings? Officially, there is to be no discrimination in parceling out apartments. But cynics wonder. After all, a smart address in Prague's heart has been something hotly desired at least, one is sure, since the 13th century.



Cowe's grocery is the sole maker of a candy known as Berwick cookies.

Old Prague Restored

Continued from page 7

their medieval routines every hour on the hour.

The town hall remains something of a puzzle for the restorers, who for years have been studying its rebuilding. Last year, the renovation committee sponsored an architectural competition, seeking new ideas. As it turned out, there were no winners. Particularly troubling to traditionalists were proposals to erect a flashy modern building. A public opinion poll, rare in this Communist country, backed up the anti-modernists: Prague's citizens seem to want the Old Town Hall to stay old, at least in its exterior design. The commission says that another competition will be held, in 1993, when tempers have cooled and perceptions have perhaps sharpened.

Two more stages remain to be finished on the Royal Road. The first of these will cover the route from the square along Karlova and across the Charles Bridge, as well

as important buildings elsewhere in the Old Town, and will cost just under \$100 million when finished in 1992. Stage 3, still in the planning, includes the final stretch, from the far river bank up to Hradcany, through the Mala Strana, or Lesser City. "This is a much more complicated stage," said Mraz, "and we want to be sure we get everything right." An architectural competition is set for this stage, he added.

FEW countries in the world rival Czechoslovakia in the loving care it devotes to the artifacts of its past. Supervising Prague's renovation is the State Institute, which operates under national laws first passed in 1958 and renewed in 1987. Dr. Josef Mayer, department head of the Prague Center of Care of Historical Buildings, said in a recent interview that the goal is to "preserve our cultural monuments for future generations,

and to build national pride in the Czech heritage." And he stresses that "our work here is closely connected with the cultural traditions of all Europe."

The Royal Road project is only the most spectacular of a continuing effort, in Prague and elsewhere in Czechoslovakia, to keep cultural tradition healthy. In the older parts of Prague itself, about 1,500 buildings are slated for eventual renovation, with another 500 in the outskirts. Among these are some wonderful Art Nouveau buildings.

Most of the renovated buildings will be used for offices, restaurants, shops and residences, but there are some that cannot. One project, on Karlova, was scheduled to be renovated for apartment use but now is occupied by the Diplomatic Club, which took over the building after restorers decided some remarkable old ceilings and wall paintings could not be moved.

There are continuing obstacles.



Sinuous Celetna Street.

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World	422	11 1/2	11 1/2	+ 1/2
World	422	11 1/2	11 1/2	+ 1/2
World	422	11 1/2	11 1/2	+ 1/2
World	422	11 1/2	11 1/2	+ 1/2
World	422	11 1/2	11 1/2	+ 1/2

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Buy	194,671	312
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Open	139.15	139.15	139.15	139.15
High	139.15	139.15	139.15	139.15
Low	139.15	139.15	139.15	139.15
Last	139.15	139.15	139.15	139.15
Chg.	+0.2	+0.2	+0.2	+0.2

Industrials	235.1	+0.2
Utilities	235.1	+0.2
Transportation	235.1	+0.2
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Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month High	Low	Stock	Div. Yld. PE	52 Wk High	Low	Close	Chg.
12 1/2	11 1/2	AAR	2 1/2	11 1/2	11 1/2	11 1/2	+ 1/2
12 1/2	11 1/2	AAR	2 1/2	11 1/2	11 1/2	11 1/2	+ 1/2
12 1/2	11 1/2	AAR	2 1/2	11 1/2	11 1/2	11 1/2	+ 1/2
12 1/2	11 1/2	AAR	2 1/2	11 1/2	11 1/2	11 1/2	+ 1/2
12 1/2	11 1/2	AAR	2 1/2	11 1/2	11 1/2	11 1/2	+ 1/2

NYSE Posts Modest Decline

NEW YORK — Prices on the New York Stock Exchange suffered a modest retreat Thursday in active trading as profit-taking and uneasiness in advance of the release of a key economic statistic combined to halt a two-day surge.

The Dow Jones industrial average, which rose 32.89 on Wednesday, fell 11.56 to close at 2,052.45. The index jumped nearly 75 points on Tuesday.

Declines led advances by about a 3-2 margin. Volume totaled 193.5 million shares, compared with 234.6 million shares traded Wednesday.

"We went up 107 points in two days, even under the best of circumstances the market is entitled to a breather," said Larry Wachtel, a market analyst with Prudential-Bache Securities Inc. "Besides, we are facing a number on Friday that could be damaging. No one wanted to be here."

Mr. Wachtel was referring to Friday's scheduled release of the May unemployment report, which could clarify the outlook for inflation and interest rates.

He said the market, operating under the "good news is bad news" scenario, would see an increase in nonfarm payrolls of 300,000, an indication of an economy that was "too strong" and vulnerable to higher rates.

An increase of only 150,000 would be seen in the market as positive, he said.

"If the number comes in at between 200,000 and 225,000, which is the consensus forecast, it will be a neutral number," Mr. Wachtel said.

"We've seen the Dow jump about 5.5 percent in two days, so a pullback of this order is not unexpected," said David Kalman, a technical analyst with W.H. Newbold's Son & Co. in Philadelphia.

"There has been a huge takeoff in bigger stocks and in volume," Mr. Kalman said. "We have had a very positive move here, but two days are not going to make a market."

Mr. Kalman, despite his caution, conceded that market sentiment had undergone a positive change, and the short-term outlook was "reasonably favorable."

"I think what the market now sees is the likelihood for more stable interest rates," Mr. Kalman said.

Union Electric was the most active issue, off 1/4 to 24 3/4.

Kansas Gas & Electric followed, up 1/4 to 20 1/4. Texaco was third, down 1/4 to 50 1/4. A spokesman for Carl C. Ichni said the investor has threatened to sell his 14.8 percent stake in Texaco if he loses his proxy fight against the oil company's management.

Burlington Northern gained 1 1/2 to 69 1/4. The company announced a restructuring that includes a public offering in a new entity that will hold the stock of its energy and resource businesses.

AT&T was off 1/4 to 27. IBM slipped 1/4 to 112 1/2.

Among other blue chips, General Electric was off 1/4 to 42 1/4. Merck was off 1/4 to 55. Eastman Kodak was up 1/4 to 43 1/4 and Procter & Gamble was off 1/4 to 77 1/4.

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12 1/2	11 1/2	AAR	2 1/2	11 1/2	11 1/2	11 1/2	+ 1/2

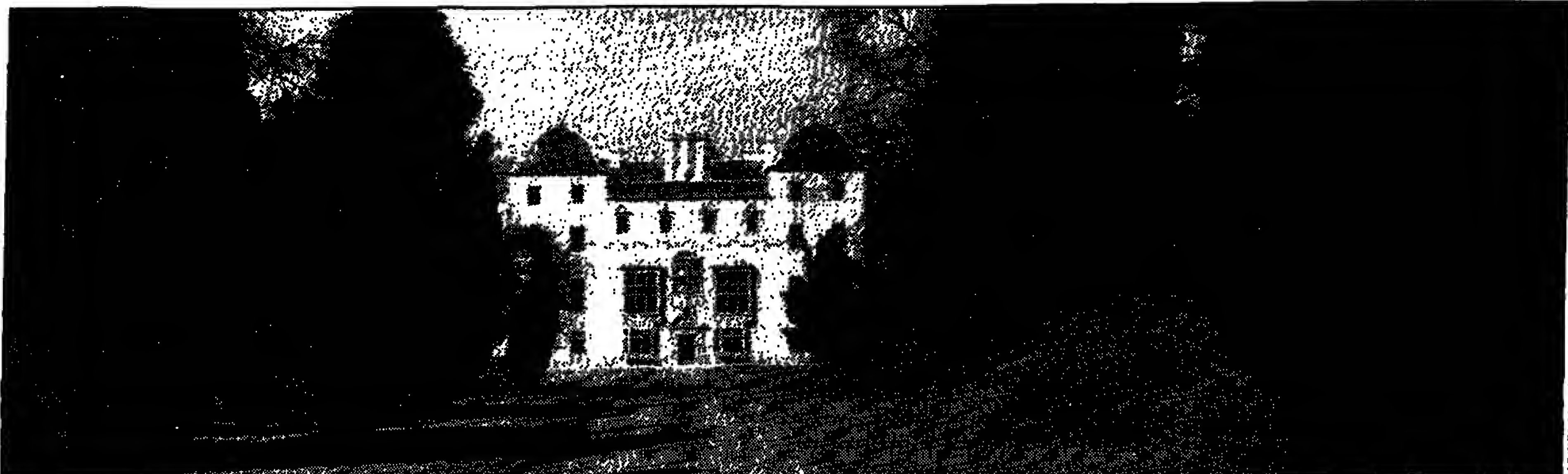
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INTERNATIONAL HERALD TRIBUNE

LUXURY REAL ESTATE



Keith Hall is the 16th-century Scottish castle of the Keith family. The late 17th-century facade was put on by the first Earl of Kintore.

HONG KONG billionaire Li Ka Shing reportedly paid U.S. \$260 million for the 16-acre site that was used for stage Expo '86 in Vancouver. He now plans to spend a further U.S. \$1 billion on developing condominium blocks, office towers, commercial centers and recreational areas. Will it crash, what crash? While some cynics claim that such investments are motivated by political reasons — to move money out of Hong Kong before 1997, when the people's Republic of China moves in — the reasons run deeper than that. Large companies have to get out to diversify.

Yet increasing numbers of Hong Kong residents are setting up home elsewhere, particularly in North America and Australia, and putting their money into what Hong Kong people know best — real estate.

In the United States, falling interest rates may be heating up the market overall, but the luxury market is still reeling from the October crash. In New York, unrealistic pricing led to the fall-off. They're keeping prices from another world noted J.J. Medney, a condominium conversion specialist. "Co-op owners' mortgage are out-of-sight, so maintenance is, too."

Fortunately, "DINK" households (Double-Income,

During the space of just six hours on Monday, October 18, 1987, the world's stock markets lost about \$500 billion. The crash's impact on prime residential real estate, however, has varied considerably from one region to another. In many cases, the dominant market trends have more to do with location, amenities, tax laws or political change than with the availability of cash. A look at today's buyers and sellers of prestigious addresses.

No Kids), "empty nesters" (older adults who don't want to maintain private homes) and foreign buyers, particularly the Japanese, are still interested in urban luxury real estate.

Private homes have also settled down from the "insane" 1986 appreciation of 25 to 35 percent, according to Lynn Goodspeed, president of Four Seasons Realty in Menomonee County, New Jersey, where 19th-century estates are

now connected to Wall Street by a new ferry service.

Outside the Northeast, the picture is spottier. John Connelly's estate auction in Houston offered dramatic proof of the continued effect of depressed oil prices on the Oil Patch and Rocky Mountain regions. Much of the Sunbelt is still struggling with overbuilding, albeit in more modest proportions. The most notable exception remains Atlanta, where neighborhoods

like Buckhead and once-rural Clayton County cater to established professionals.

Overbuilding and the fall of Latin American currencies continue to plague Miami. But areas such as Naples, West Palm Beach and Key Biscayne continue to attract affluent retirees and political refugees.

Although it's still too early to tell, this summer may see the first impact of the new tax laws on luxury second homes.

Already, Americans are seeing a rise in time-sharing programs, until now strictly a European phenomenon. Such plans offer luxury living without the burdens of second-home ownership.

Downtown Chicago saw a mini-boom after the market went on 24-hour trading. And throughout the Midwest, downtowns are using their once-neglected waterfronts to attract affluent suburbanites.

In Los Angeles, the best

indication of the market is the trend in Beverly Hills to tear down older mansions and build even larger ones.

Jogging along a couple of years behind Manhattan, health has suddenly become of key concern for buyers of prime London property. Facilities for keeping fit are a major sales incentive.

Although saunas are in many cases passé and largely used for storage, whirlpool spas are fast becoming standard at the \$600,000-plus (\$1,116,000) level. Penthouses in Beverly Hills, a new apartment block facing fashionable Regent's Park, feature two Jacuzzis each.

Most high-quality developments aimed at young City executives routinely feature communal swimming pools and squash and tennis courts. The Pavilions, a development in Avenue Road, St. John's Wood, has both outdoor and indoor pools with a leisure complex of Jacuzzi and steam room, to be shared by only seven apartments. But the international business community is insisting on private

rather than communal facilities, say agents Beauchamp Estates. Indoor heated pools are regularly specified.

Not enough room for installing such innovations among London's mostly ancient housing stock? Well, buyers will settle for compact plunge pools provided that there's an underwater jet stream to swim against for added exercise, according to up-market realtors Knight Frank & Rutley.

At Westover Hill, Hampstead, each of five individual houses priced at well over £1 million has a good-sized pool with jet plus sauna and gymnasium.

"A gym is currently a top-selling feature," comment agents Aston Chase, "particularly if it's fitted with a multi-gym. Vendors who invest in pumping iron are harvesting pure gold."

On the cosmopolitan Costa del Sol, the Spanish climate, lifestyle and prices have proved to be an irresistible lure for buyers from South Africa and the Far East, especially Hong Kong.

The lifting of monetary restrictions in Sweden and the opportunities the French now enjoy to purchase a second property outside their own country, have helped reduce the near-monopoly the British held on luxury real estate in southern Spain from 90 percent to nearer 40 percent.

Apart from those who purchase property to live in, speculative investment is on the rise in this particular area, which has the highest building rate in the world.

David Crothall, who heads the Marbella-based real estate company Pica, comments: "We are handling an ever increasing number of investors willing to purchase 'off-plan,' allowing us to sell for them on completion. The way things are at the moment it is hardly a risk and they are all making far more profit than they would in the share market."

Meanwhile, prices for luxury real estate on the French Riviera, that stretch of land along the Mediterranean from Saint Tropez to the Italian border, have been trending water since the Socialist government assumed power in France in 1981. In addition, the top end of the market has been hit by the declining value of the U.S. dollar and the consequent shortage of buyers from the Middle East and North America.

Some geographical areas, notably in and around Monaco, are considered stable investments and prices remain relatively firm. But despite frequent pronouncements to the contrary by local real estate agents, the Riviera today is generally a buyer's market with many sellers ready to drop their asking prices at the first serious hint of interest.

A slowdown in overall housing starts has been one result of the inactivity. During the boom period of the 1970s, 45,000 homes were built each year compared to See Market Trends, page 12

Around the World in Style

WHAT do you give the home that's got everything? Constant and unchanging, elegant and tactical: marble. Utterly invariable to passing trends, marble remains the hallmark of luxury. Where would the upmarket designer be without it?

In Paris it's everywhere, and most luxury apartments have more than their fair share. Along with precious tiles, seasoned paneling, gold leaf, parquet de Versailles and high windows. All that, and location too.

Amenity seekers can also find sound-proof music rooms, domestic discos complete with revolving dance floors, private swimming pools and the ubiquitous sauna. "But what you see here is fairly conservative compared to New York," claims Don-

elle Higbee of Hampton and Sons.

Who better to comment on New York's bewildering array of amenities than Kenneth Nadler. He and his associates have designed more than 45 mansions ranging in price from \$1.5 to \$3 million in the affluent New York City suburbs of Westchester County, New York and Fairfield County, Connecticut.

One new Westchester home boasts a separate, heated room for the family's three Russian wolfhounds, with windows carefully positioned so that the dogs can look out over the rose gardens.

Other features that Mr. Nadler has added at his clients' request include a living room that accommodates 300 standing (or 50 seated) yet still feels cozy when just the family are home; the ultimate

personal parking space, a heated eight-car garage with built-in car-wash; and a 3,500-square-foot art gallery for at-home viewing.

But is this luxury? Why not check the 20-by-30 foot wine cellar with its marble floor and racks for 4,000 bottles.

One of the most extraordinary properties on sale in Germany is Burg Lichtenfels, a 13th-century castle set on top of a hill surrounded by luxuriant woods. Founded by abbot Wideking of Corvey, it comes complete with everything you would expect from a castle.

No need to add marble in this case. Along with its Teutonic hall, imposing stone columns, beautiful frescoes and wooden ceilings, the castle includes nearly 160,000 square meters (1.8 million square feet) of land. That's location plus. The asking price is DM 2 million (\$1.2 million).

Location is also a draw for deluxe home seekers on the Costa del Sol. Pick of the market, at present, is "Los Cipreses del Mar," situated between Marbella and Puerto Banus. With white marble facade, reception areas in Italian marble and rosewood, and

computer-controlled irrigation for all balconies, Los Cipreses offers six blocks of one- to five-bedroomed apartments alongside the Club Nautico.

Set in landscaped gardens amidst fountains and waterfalls, all the apartments will have satellite TV, mini-saunas, maxi-terraces and underground parking. Top of the range is a magnificent penthouse priced at £1,250,000 (\$2,325,000).

If you were thinking of spending a little more, 25 See Style, page 12

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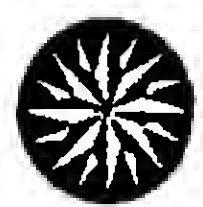
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L'ESPECE

LUXURY REAL ESTATE

Market Trends

Continued from page 11

38,703 in 1980 and 32,360 last year. While large estates and luxurious apartment buildings are still being constructed, the most prevalent tendency is toward lower-cost housing and apartment developments — often for use as secondary residences for seasonal visitors.

Optimists constantly contend the region's housing market is on the verge of a turnaround. They point out that since the October stock market crash, real estate has regained its position as the Frenchman's favorite investment (76 percent of the

French population with 50,000-100,000 francs to invest prefer to put their money in real estate, according to one survey) and claim that Europeans with strong currencies are flocking to the region.

The most noticeable trend on the German prime real estate market is an increasing demand for luxury condominiums, says Gerhard Feldmann, general manager of the German real estate brokers association RDM in Hamburg. Security considerations are one reason why more people are interested in condominiums;

the limited supply of upmarket sites and villas in Germany's big cities is another. He claims that the prices of a luxury condominium on a prime site can climb as high as 5,000 to 8,000 Deutsche marks (\$2,900 to \$4,700) per square meter.

This sector of the market seems to have been untouched by the 1982-1986 real estate crisis during which the prices of family homes and normal condominiums tumbled.

Even last October's stock market crash had no noticeable impact on Germany's luxury real estate market. Predictions that post-crash insecurity would lead to a sharp increase in property investment turned out to be wrong. Nor was there a drastic decline in demand. Says Mr. Dieter Lucken, spokesman for the Swiss real estate firm Emerald Home in Germany, "There is a growing demand for luxurious condominiums in prime locations. Most buyers are looking for the comfortable life, a luxurious place in a small apartment complex with a caretaker who keeps the place in top shape at all times."

Paris is even more of a seller's market. "There's ten percent offer for 90 percent demand," says Xavier Brun, director of the Neveu real es-

tate agency in the 10th arrondissement, who says that most home hunters tend to look in well-known, prestigious neighborhoods. Since the renovation of the Moulin de la Galerie, some adventurous souls have located at the Bure Montmartre. In general, though, it is the more traditional areas — most of which are on the Right Bank — that are keenly sought after.

Dominated largely by the French, the market is also composed of other Europeans, Chinese and Japanese, and some Americans. The once considerable Arab presence has virtually dried up. The present market in Paris, says Pierre Baron, head of Groupe Pierre Baron, which deals exclusively in apartments on the Right Bank, is composed principally of old apartments — most of which need to be completely redone to warrant their often high price. "People want to sell apartments which were last done over 20 years ago for the price of an entirely new one," says Mr. Baron.

But then the right address is as crucial as the right amenities. A beautiful apartment overlooking the Seine with a southern exposure and Puteaux address for a price of 10,000 francs per square meter (\$156 per square foot) is an

The "museum" at Collaly Castle displays generations of hunting trophies.



absolute no-no — the same apartment overlooking the Seine with a northern view in Neuilly will easily go for three times the price," says Neveu's Brun, who adds "the right address, the right neighborhood, and the right schools are important for buyers."

On average, the price of property in a prestige neighborhood can vary from 35,000 to 60,000 francs per square meter (\$550 to \$930 per square foot).

It is, of course, too early to tell how buyers will react to the impending restitution of France's wealth tax. For the moment — and as a general rule in Paris — "whatever is beautiful will sell," says Jacques Chaignier, head of Hampton & Sons. "The demand is so great that there are several potential buyers for each luxury apartment put on the market." Most such apartments have doubled or tripled in value over the past three years, according to the Chambre des Notaires de Paris.

— Reported by Keith Hewitt (Malaga), Sabine Krueger (Bonn), Harry Rolnick (Hong Kong), Alec Snobel (London), Joel Stratte-McClure (Mouans-Sartoux), Harriet Welty-Rochefort (Paris).

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Continued from page 11
Princes Gate, Knightsbridge, in London, offers plenty of scope. Until recently the Royal School of Needlework, this six-floor property overlooking

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Around the World in Style

Hyde Park is part of two terraces built in the 1840s.

The state rooms, including a ballroom, a drawing room and a grand hall, need some restoration but retain certain original features such as carved ceilings, paneled walls, gilt mirrors and marble fireplaces. The agents, Sotheby's International Realty, are open to offers of over \$6 million (\$11.16 million).

Parkview is Hong Kong's luxury housing talking point. Taiwan developers, the Chiyau Fwu Group, paid HK\$1.1 billion (U.S. \$140 million) for the site in 1983. Surrounded by a 3,250-acre park, Parkview overlooks Hong Kong harbor, Repulse Bay and the mountains. Further construction in the area has been prohibited — another unique selling point in Parkview's favor.

The 16 residential towers are grouped around a luxuriant garden cooled by miniature cascades and decorative pools. Within the towers, living in one of the 980 furnished or unfurnished apartments should be like staying in a luxury hotel with sports, shopping and library facilities thrown in. There are only two apartments to a floor. Their sizes run from 1,750 square feet (158 square meters),

two bedrooms with study — to over 3,000 square feet — four bedrooms and study. Rent? A cool HK\$50,000 to HK\$60,000 (U.S. \$6,400 to \$7,700) a month.

Of course, that includes marble flooring throughout the dining areas and master bedrooms.

Are these the most expensive apartments in the world? Not according to Nabil Boustany, who bought the Metropolitan Hotel Complex near the Monte Carlo casino in 1981 and has since spent over \$100 million rebuilding it.

The complex includes office space, 188 boutiques, a 170-room hotel and 100 apartments. In addition to the Mediterranean view and reassuring

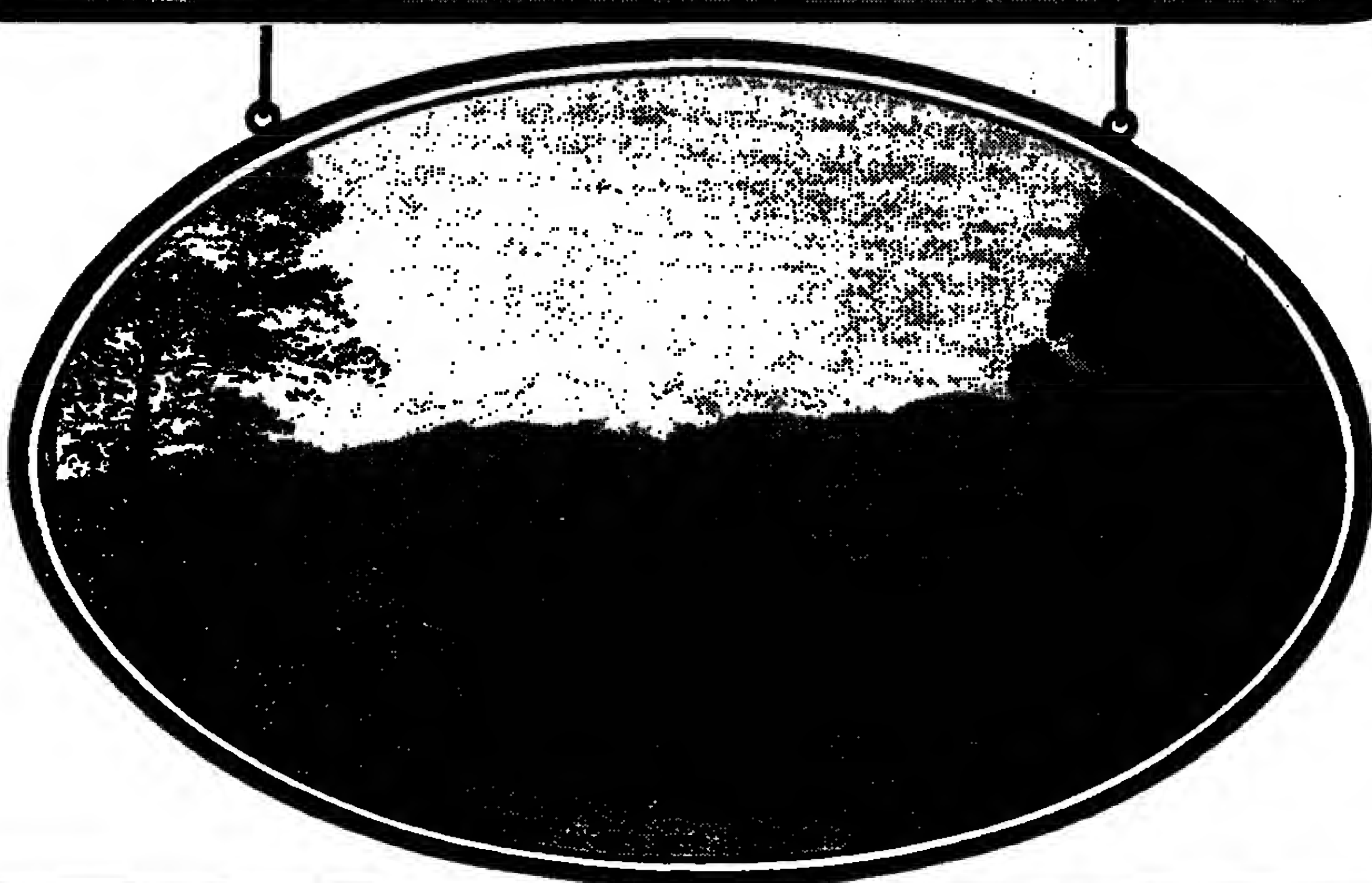
atomic shelter, it features a facade redone in Silesian marble imported directly from Italy and frescoes of Monegasque princes painted by an artist from the Louvain Paris.

The hotel will be managed by Conrad International Hotels (a subsidiary of Hilton Hotel Corp.) and is now scheduled to open in this year. Boustany, who will keep the 800-square-meter (8,900-square-foot) penthouse in his family, claims the apartment will be among the most expensive in the world when they go on sale this autumn.

"I estimate the value of my penthouse at 75 million francs [\$13 million] while the other apartments will sell for between 50,000 and 90,000 francs per square meter (between \$780 and \$1,400 per square foot)," Boustany explained, noting that the price of each apartment will be customized according to the purchaser's requirements.

— Reported by Keith Hewitt, Sabine Krueger, Harry Rolnick, Alec Snobel, Joel Stratte-McClure, Steve Weinstein, Harriet Welty-Rochefort.

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LUXURY REAL ESTATE

H.K. Property: Sky High

FOR the inhabitants of Hong Kong, real estate is a serious business. You can tell this by the tone in which a distinguished resident confides: "Our house is only HK\$72,000 (U.S. \$9,200) a month, but it does have a swimming pool."

Of course, it also has extensive private grounds and a courtyard that can house six cars at a pinch, a good location — either on the peak or near Clearwater Bay — and around 5,000 square feet of floor space packed into its twin-story frame.

"The only problem," admits one such resident, "is that our landlord is ready to tear down the house — he knows he could build four or five townhouses on the site. Our home is the product of another age."

Such properties rarely emerge on the open market. They pass discreetly from per-

son to person, or company to company. Such is their scarcity value, that few are willing to run the risk of a developer destroying the site, though the chances of this happening are definitely on the increase.

The market is bullish. Since last October, property prices have hit an all-time high. Apartments are going for around U.S. \$180 per square foot (\$2,000 per square meter) — and going fast.

Most luxury apartments are leased, and this is proving to be equally profitable. Prices for luxury leasing have risen from HK\$1,500 to HK\$2,200 (from U.S. \$190 to U.S. \$280) per square foot in just 12 months.

"Moreover," says a spokesman for Richard Ellis International Real Estate Properties, "the banks are falling over themselves to finance new properties with mortgages of over 90 percent."

Older properties, no matter how luxurious, simply don't warrant the same attention. It is rare to find a bank prepared to finance over 70 percent of such a deal.

To invest in newer property, one need only come up with the 10 percent down payment, rent it out (dozens of local property consultants are ready to take care of such details) and start to count the profits. The 10 percent yield on such deals is roughly twice that obtainable from other prime markets.

No wonder, then, that in 1987 31 percent of such invest-

ment stemmed from Japanese sources. They invested HK\$43 billion (U.S. \$5.5 billion) in Hong Kong's property market last year.

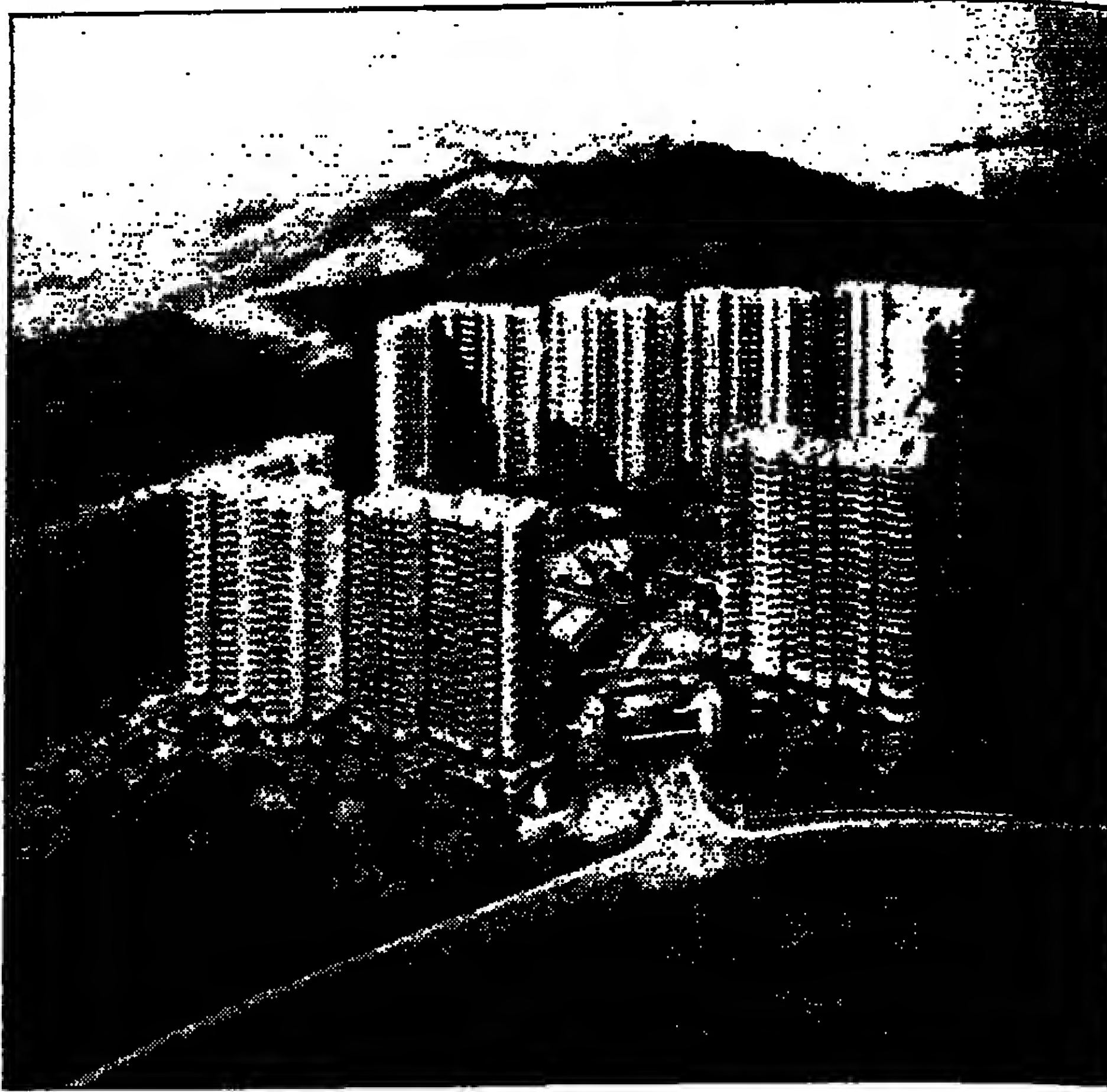
At present, the Hong Kong dollar is tied to the American dollar, and severely undervalued as a result. For Japanese investors this represents a bonanza, particularly as the cost of building in Japan can be 3.5 times higher than in Hong Kong.

Furthermore, the current shortage of accommodations in prime areas means high rent and greater demand. True, about 30,000 units will be ready for leasing before the end of the year, but the demand is enormous. Karen Choi of Chi Wo Properties notes, "Yes, there is a great supply of luxurious accommodations. But tenants are more aware of quality touches and modern facilities, so for the kind of luxury they want, the supply situation is still very tight."

The scene is changing fast, according to Richard Ellis's property expert, Richard Belford. "Only two years ago, you'd be shown so-called luxury apartments with four bare walls and a parquet floor. Buyers, both Chinese and European, today are better educated. If they're going to pay top prices, they want more furnishings, more amenities."

Luxury property is definitely a favored investment. To traditional Chinese, property is a real asset, to see, feel, be part of. Money is a thing of suspicion and speculation.

"People talk about recession," says a Jones Lang Wooten spokesman, "but it hasn't happened yet. They talk about the possibility of the Hong Kong dollar untying itself from the American dollar, but again that is only speculation. Only a severe economic re-evaluation or a very sharp rise



Apartments at Hong Kong's Parkview rent for up to U.S. \$7,700 a month.

in interest rates would change the economic climate here."

Ironically, the feeling of bullishness certainly extends to the outside world. Canada, Australia, America all are part of the outgoing cash flow into properties abroad.

So how much money is leaving Hong Kong? No statistics are kept as such, but Johannes Busch, a director of Busch Worldwide Property Consultants, makes a rough guess and places the figure near HK\$3 billion (U.S. \$380 million).

Despite the tremendous fear of a "brain drain," most Chinese are still buying property abroad for speculation rather than for actually living there.

"The Chinese are, like anyone else, looking for good profits in the long term," says Mr. Busch. "We're recommending Canada: Toronto and Vancouver, for the usual investment reasons. In New York and San Francisco, there is an oversupply. England is over-priced."

"Europe is definitely not in the cards. Not because of the price, but because every coun-

try has different rules, different laws, making knowledge much too difficult. Hong Kong investors prefer to go in where they know they're accepted freely."

Other Southeast Asian countries are very attractive financially. Thailand, for instance, has very cheap residential rents and the country is certainly among the most stable in the region. But the labyrinth of rules and laws makes it difficult to simply come in. One Chinese investor was more frank:

"I've put quite a bit of money into Thailand," he said, "but there's no record of it there. If they straightened out their legislation, I could do more. Right now, you have to do a lot of deals under the table, and that cuts down my profits."

Australia is a special case. With some fear — that the "Asians" were taking over, a law was enacted early last year forbidding foreign investment. The law was changed again, and this time, according to Mr. Busch, it's to Hong Kong's advantage.

"Now the law says that

foreign investment must be less than 50 percent, and that's perfect for our investors. Also, it should be 'off plan' (on the drawing board rather than already built), which is already cheaper. So Australia is definitely the place to go."

Unlike any other people, Hong Kong upper-middle to upper-class Chinese keep up to 40 percent of their savings in foreign currency. "Psychologically, says Mr. Busch, "this means that investors are very flexible. No matter what the currency fluctuation, Chinese investors can take advantage of that with property-buying."

"They're buying a lot of property in Vancouver," says Mr. Busch, "because the investment climate is good. But they also want that kind of security in having property, just in case..."

The "in case" means, of course, that they may go back to live there permanently if things turn politically bad in Hong Kong. The money they bring out will help overseas investment, but it could easily put a damper on the market. — Harry Rolnick

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Anatomy of a Deal

Developer Vincent Albanese spent six years assembling the site. He then spent a further two balancing the interests of a hesitant community board, against those of small property owners and a multinational bank.

The community, starved for green space, managed to negotiate for a public park. When the zoning changed, so did the building — from twin mixed-use office/residential towers to one residential tower.

The parcel itself was acquired between 1975 and 1981. Mr. Albanese's first purchase was a two-story garage owned by National Car Rental. That became the original 10,000-square-foot site.

The other 11 owners' lots included residential, commercial and mixed-use buildings, mostly on 25-by-100-square-foot sites. Collecting them required painstaking negotiations.

Once the site was assembled, Mr. Albanese had to find

a bank willing to fund such a huge project. (New York City construction costs about \$200 per square foot).

European-American Bank loaned money with the proviso that it participate in the project. Mr. Albanese also assembled a consortium of 11 domestic and foreign banks, which were all attracted by the site's desirability and high visibility. But that took another two years.

Meanwhile, the building also attracted the attention of Community Board 6, a local government body that could make the project's final approval by the city difficult. It took two full years of negotiations before any construction took place on the site.

Mr. Albanese continued to meet with the City Planning Commission to keep abreast of zoning plans in the area, which did in fact change from offices to "R-8" low-density residential buildings. The

community board also didn't want to see the low-rise street wall destroyed on the side streets.

To comply with the low side-street density and zoning change, Mr. Albanese constructed only one big, pyramid-shaped residential-only tower on First Avenue that offered sweeping views of the East River. As a further concession to the neighborhood, which is the densest in Manhattan, he built a 9,100-square-foot public park on East 48th Street.

"In deference to the community," said spokeswoman Sharon McDonnell, "the developers abandoned a mixed-use or commercial building and plans for twin towers."

For Mr. Albanese, the concessions were a pragmatic decision. "There was nothing to totally coerce me to build a plaza," he said. "But if you go up against the community, it becomes a compromise to build at all." — Steve Weinstein

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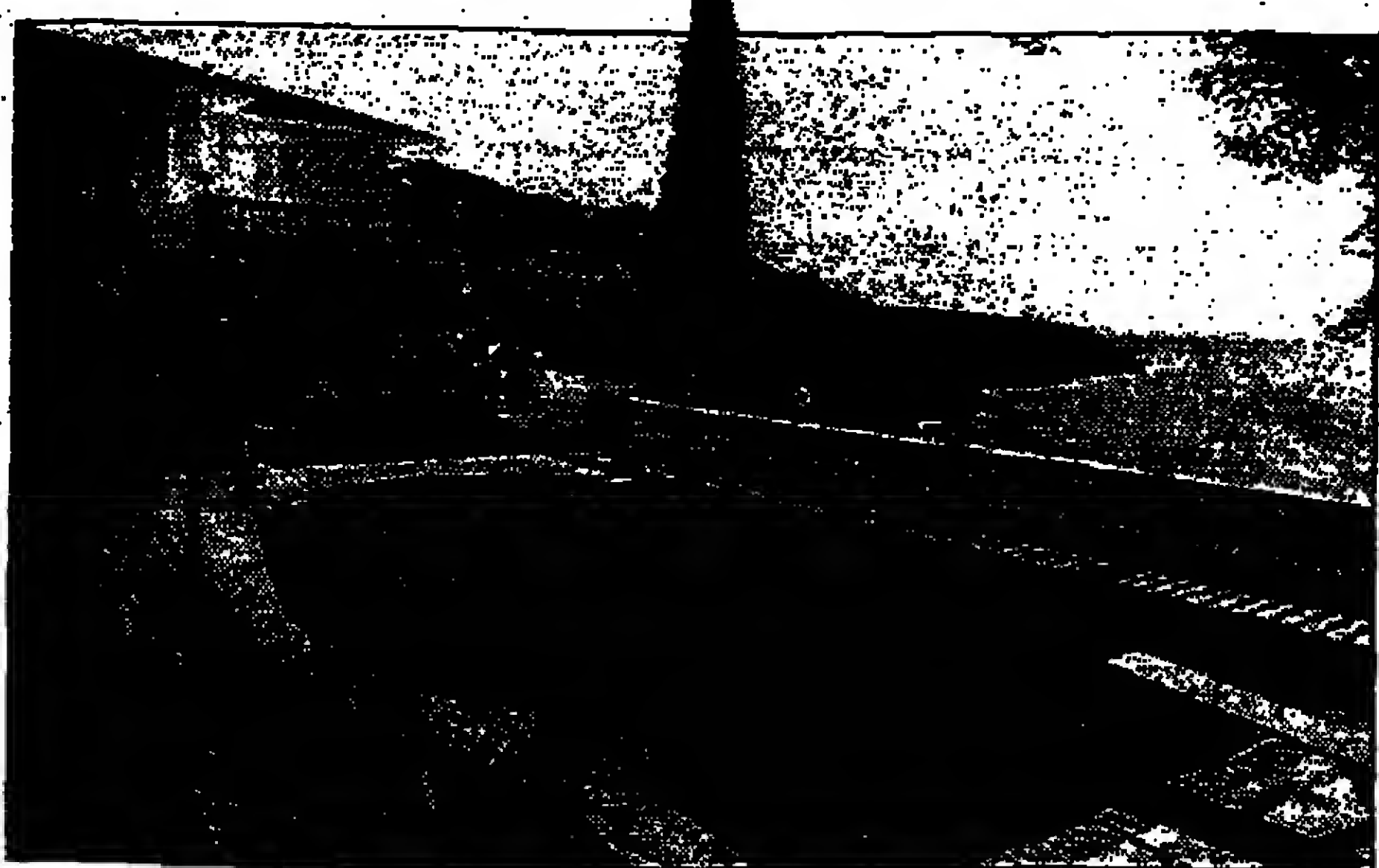
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The French Home Sweet

Large advertisement on the right side of the page, partially cut off, featuring text about French homes and real estate services.



Roquebrune Cap Martin near Monaco.

The French Riviera: Home Sweet Home

HERE are various ways to acquire luxury real estate on the French Riviera. The authorities in Monaco, for example, "gave" fashion designer Karl Lagerfeld the extraordinary villa de la Vigie near the Monte-Carlo Beach Hotel to use during his lifetime. In return, Lagerfeld paid for its restoration and gave Monaco the cash of yet another famous resident.

But even if financing is required, shopping for luxury on the French Riviera can be a fascinating experience.

The region's multi-million dollar properties, like their counterparts in Beverly Hills or Palm Beach, don't just have price tags. The seductively named villas are sold with the assistance of full-color brochures, video cassettes and intriguing advertising copy.

One villa currently on the market aptly illustrates the scene. Succinctly described as a "spacious and comfortable residence," it is located in one of the largest private parks in Cannes. The ad also mentioned "sixteen bedrooms with en suite bathroom suites and large terraces — commercial size main laundry — five telephone lines with a total of fifty extensions — a further five bedrooms on the property for guests and staff — eighteen meter lighted pool — garden with twenty-six varieties of trees."

No price was given. But a swift call solicited the figure of 48 million francs.

"Location! Location! Location!" said the New Yorker currently renting the Villa Aracaria. "Twenty minutes from the Nice airport, five minutes from the Croisette in Cannes and all the main suites have terraces that look onto the sea. The price is tight and it will sell to the person who can afford it."

But can the person afford it? The figure should be seen in perspective. A 500 square meter (5380 square feet) penthouse, in a just-completed apartment development in Monaco, for example, is going for 45 million francs (\$7.8 million). Too expensive? A 569 square meter apartment in the nearby Monte-Carlo Palace, which will be completed late next year, is ticketed at 37 million francs.

Some homes go for less. A seven bedroom, seven bath-

room modern villa on the heights of La Californie in Cannes is listed at 13 million francs; a quaint 19th century mill in Mougins, with two reception and four bedrooms, is going for 30 million; and the vast *Hameau de Sainte-Hélène* nearby has been on the market for three years at 15 million francs.

"When prices reach these levels, buyers become very particular and the properties don't always move quickly," explained Brian Grocock, director of the John Taylor & Son real estate agency in Monaco. "But there is definitely a firm and stable market for expensive homes and apartments."

Although 48 million was slightly above my 45 million franc budget, I decided to take a look. When the electric gate opened and I drove into the Villa Aracaria, I was immediately pleased to see that the recently renovated guardian's pavilion had its own terrace looking onto the sea.

I eased up the driveway, past the lone remaining acacia tree, and met Michele Thompson, an efficient American secretary who showed me into her office (which includes the latest electronics gear and a telephone doubling as a paging system throughout the estate) and took my card. The house, I was told, had been owned by a Saudi Arabian for the past decade and is currently being rented. Michele indicated that if not sold, it will rent for 600,000 francs this month (June) and 850,000 francs for July or August.

"It sounds high but there are four cars thrown in," she explained as we began a tour of the 12,000 square meter estate. "Plus some of the help — gardener, assistant gardener, cook, chauffeur, waiter, maid and night watchman."

The advertisement did not do the villa justice. The wall-to-wall carpeted rooms have walk-in closets and the multi-applianced kitchen would not be out of place in a three star restaurant. The elevator and air conditioning system are in excellent working order and the contemporary furniture, which Michele said could be part of the purchase, includes work by leading designers. There seemed to be a different

language edition of *Vogue* in every room and the 1,000-cassette video library is fascinatingly catalogued.

The onsite poolhouse has everything from a barbecue to shower facilities, a satellite receiver is being installed and a state-of-the-art stereo system pipes music throughout the property. In addition, there are enough independent studios and apartments, often with their own kitchenettes, to house quite a few members of the Saudi royal family.

"The most exquisite feature of the house is the sense of openness resulting from the large terraces and omnipresent large French windows," Michele said. "You would never know you were in the middle of Cannes."

Naturally, homes such as the Villa Aracaria are equipped with the latest in contemporary security. Not only two German shepherds but also an intricate alarm system which can, it was demonstrated, be operated on a floor-by-floor basis.

"Problems?"

"They've all been fixed," said the New Yorker.

Prospective buyers usually don't inquire about the cost of maintaining this type of property; but during my stroll through the grounds I ran into Keith, the gardener, between the goldfish pond and the greenhouse. He estimated that keeping up this garden, along with the heated pool, cost about 40,000 francs a month, including salaries.

"This is a superb garden because of the maturity of the trees," Keith added, noting that he has run into the foundations of the original villa while digging on the estate. "Some of them are between 100 and 150 years old."

Forget the villa, I thought, just think how much the trees will appreciate in value!

— Joel Stratte-McClure

From Hotel Suite To Luxury Condo

ESPIE rising occupancy rates, many developers in New York City and elsewhere are converting hotel units into luxury apartments.

The new units combine the conveniences of a hotel with a fashionable address.

"It's a very popular trend here in New York City, and I'm quite familiar with it because we were going to build a residential hotel," said Diana Scalamanire, a sales consultant currently working with Trusthouse Forte on the Hotel Pierre.

Originally built as a cooperative, the Pierre has a bank of apartments now being sold to international buyers. Unlike other four-star hotels, however, the Pierre's units come to buyers as raw space.

"We're not doing any of it," Ms. Scalamanire said. "First of all, people coming to buy want to do it on a customized basis; second, this is such a unique property. So we're not upgrading — but that's an exception to the rule."

Much of the renovation today, she added, is being done downtown in loft areas where raw, exposed spaces allow builders to renovate more cheaply. At Police Plaza, Fourth Jeffersonian Associates gutted the old Tammany Hall police building, an architectural landmark.

Interested buyers include "those who appreciate a unique design space," including Europeans who might be more used to luxury spaces in an ethnic neighborhood like Little Italy, according to Fourth Jeffersonian principal Larry Quinn.

Uptown, the trend is toward hotel renovation. On Central Park South, 40 floors of the Essex House have been converted to condominium residences. "Basically, we tore

down everything in the interior and started from scratch," said Emenda Forman, executive vice-president of the Essex House Real Estate Corp.

What used to be bathrooms became kitchens; hallways were made into foyers. Depending on the configuration, two or more units were consolidated into three- or four-room apartments. Visiting executives now use them as a corporate pied-à-terre.

None of the converted units offer views of Central Park. Ms. Forman polled her corporate clientele a few years ago. "They didn't necessarily want spectacular views for lower echelon executives," she said. "So they were quite content to purchase lower prices with no views."

One-bedroom units without views begin at \$275,000 fully furnished. For a Manhattan skyline, they range from \$375,000 to \$425,000. A park view adds another \$100,000 to \$150,000 to the price.

Donald Trump has successfully renovated another Central Park South landmark, the Barbizon Plaza Hotel, into Trump Parc, a condominium. Over 10 years, Mr. Trump completely gutted the building. "It was a whole new set of floor plans," said Blanche Sprague of the Trump organization.

"Not a wall, nor a pipe, nor a wire," added Susan James, a sales representative. "There was nothing but cement floors, structural columns and fire stairs."

Frank Williams, the architect, designed 111 different floor plans due to the unusual shape of the 38-story Art Deco building. "We kept just the shell but had to work within the framework of the original structure," James said. "It was mindboggling to try to have enough layouts with appropri-

ate views, good designs — and get all the plumbing to line up!"

The library disco, originally part of the lobby, has become a retail shop, a la Trump Tower. The lobby was remodeled in beige marble, with a doorman area, plants and steps leading to automatic glass doors. Gold leafing now crowns the building.

The price of a unit can range from \$177,000 to \$4 million. Like the Essex House, most are pieds-à-terre. Buyers of the 340 units have come from all over the world as well as the United States.

The largest challenge facing Mr. Trump was the rent-stabilized tenants of 100 Central Park South, a 17-story building that the Barbizon wrapped around. After extensive, well-publicized litigation, Trump gave the building the same windows, coloring and facade as its larger neighbor, so that from the street, the two appear as one continuous building. However, there is no intermixing of lobbies, staff or amenities.

According to Ms. Scalamanire, the reason Mr. Trump renovated the entire hotel was because the Barbizon did not qualify as a luxury hotel. "It was too far west," she said. "But it could qualify as a luxury condo on the park."

— Steve Weinstein

INTERMEDIA

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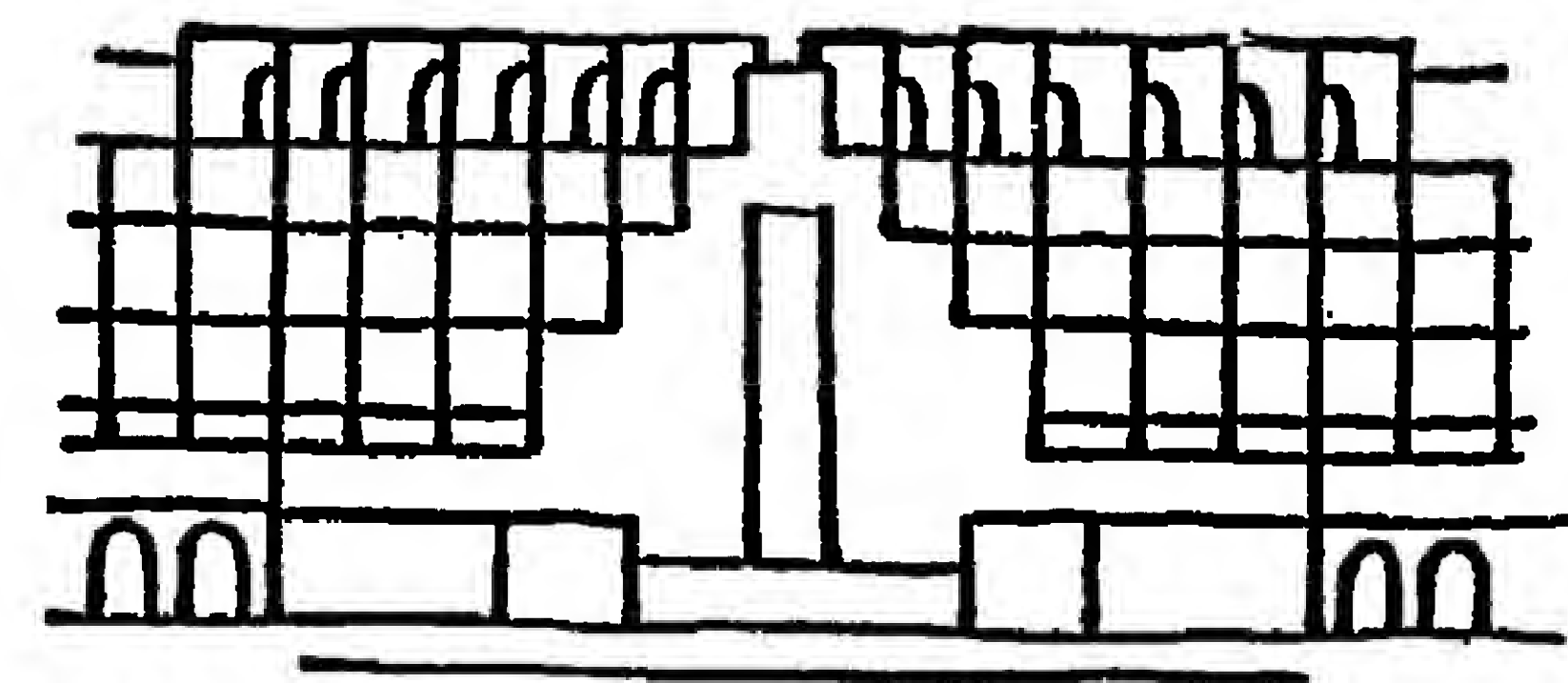
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The Golf Rush
 IN the 1960s, American businessman Joseph McMicking brought over Robert Trent Jones to design the course for a new development at Sonogrande in southern Spain. In the ensuing years Mr. Jones created a further eight courses on the coast and many more throughout Europe. Now the Costa del Sol is preparing for a fresh surge of golf course construction.
 For British golfers flocked to the Costa del Sol to play the new courses and liked what they found. Jones had introduced two new grasses: Bermuda for the fairways and Pennecross Bent for the greens. This was American target golf, not the normal British pitch and run style of play.
 The new golf tourist gave a tremendous boost to real estate. As the golf courses tumbled valueless and land into desirable real estate, the developers found an eager market. They didn't have to look far for buyers, for large groups of up to two hundred golfers were flooding down to the Costa del Sol between October and May.
 In the late 1970s the golf scene peaked and leveled off. With so much property available, only two courses have been built in the past 10 years. This is all about to change. Under construction and on the drawing board are over 30 new golf course projects. Indeed, so many are planned that the chance of them all coming to fruition is as likely as a hole in one.
 One major development is La Quinta, where 27 holes are under construction. On offer are 1500 properties consisting of two bedroomed apartments for up to £50,000 (\$93,000), two-floor (four bedroomed) attached town-houses for £125,000 plus larger and more luxurious apartments up to £150,000 as well as individual villas. The promoters are Inmobiliario Bilbao, the real estate arm of Banco Bilbao.
 Heading sales is Swedish businessman Chris Rosen, who came to the coast 20 years ago when he was 23. He made the first Bilbao development of Aloha the success it became by selling over 1,300 properties and sees no end to the golf rush: "I receive and deal with two to three telephone calls each week from investment groups all over the world wanting to invest in a golf project on the Costa del Sol," he said.
 La Quinta's success is assured. Of the first 220 apartments, recently released on the market, 216 have already been sold. There are reservations for over 100 of the 138 larger, luxury apartments.
 Those who bought into Aloha did well. According to Mr. Rosen: "In 1978 we were selling two bedroomed town houses for £12,000. The re-sale



Costa del Sol golf property values are rising 20 percent annually. Above: Myas Golf, Los Olivos.

of these today is £125,000." He added: "Golf property shows a minimum of 20 percent appreciation each year. I have six people who bought on the first phase of La Quinta with a 20 percent deposit. They re-sold their properties before final payment became due, showing a £20,000 profit on the total price.
 Speculative investment is on the increase. One company which specializes in it is Picasa, a real estate agency in Marbella. David Crothall, the firm's English managing director, commented: "An increasing number of purely speculative investors wish to place money in good developments, which we arrange and whose re-sale we handle when the property is completed.
 Most clients invest between £50-100,000. One client who started with £39,000 is now, two years later, holding in excess of £250,000."
 Of course there are critics. Belgian Jacky Moerman, a well-known amateur golfer, condemns the number of properties that most developers are allowed to construct. "It would never happen in the States. There is legislation to stop it," he said. He and backers are producing 'Tortugas Lake Golf Club,' the only five-star private club complex on the coast. Only 500 shareholders will be permitted. Its exclusivity alone guarantees success.
 The most noticeable change in today's market is the diversity of nationalities. At one time well over 90 percent of the newcomers were British. This has dropped to 40 percent as buyers from Hong Kong, South Africa, Japan and the rest of Europe arrive in search of a new home in the sun.
 Designers are naturally having a heyday. Trent Jones, nudging 82 years, is still hard at work designing a course for a new luxury golf club near Marbella. His ex-European director Cabell Robinson has three courses on his books for Swedish developers. Even the big man of golf, Jack Nicklaus, has signed a contract for a course on the Costa del Sol.
 Pepe Gancedo, who designed the now famous golf course at Torrequera, said:

"This boom is unbelievable. I am already working on two courses, but have another nineteen on my desk."
 The Japanese golf course construction company Asahi Kanko is entering the European market and has chosen a site on the Costa del Sol as their flag-ship with British golfer Tony Jacklin as director of golf.
 With the new boom the choice of property available is as varied as a hacker's swing. But come what may, as long as the sun shines in southern Spain in winter, golfers of all nationalities will flock there to play their beloved game. And there to welcome them on the first tee will be a real estate salesman.
 — Keith Hewitt

The Ultimate in Privacy: An Island
 GETTING fed up with the noisy pool parties of your rich and famous neighbors? One man who can help you is Farhan Vladi, a real estate dealer based in West Germany. He will sell you the ultimate in privacy: an island all of your own.
 Mr. Vladi has something for every taste. A picturesque speck of rock with a medieval castle half a mile off France's Brittany coast will cost you a mere \$1.7 million. If you prefer palm trees and soft sandy beaches, picture the prospect of a 135-acre paradise in the Bahamas, complete with paved air strip and deep water harbor. A bargain at \$4.5 million, with six "coral pink" beaches and all-day sun bathing thrown in for free.
 Mr. Vladi has just signed a preliminary agreement for the sale of this island, but do not despair. "We have similar properties in our catalog that are still available," says Pedro Arez, Mr. Vladi's right-hand man in the Hamburg office of Vladi Private Islands (VPI).
 For those who prefer the European jet-set to coral reefs and palm trees, VPI has a great offer: a 144-acre rocky island only one mile off the coast of Ibiza. The property, with luxurious villa, swimming pool and beautiful beaches, also carries a \$4.5 million price tag.
 But becoming the proud owner of an island does not necessarily require a huge bank account. A 30-acre isle in Nova Scotia, Canada, can be yours for as little as \$80,000. And a tiny private paradise in the Bahamas costs only \$200,000. However, most of Vladi's islands do fall in the \$100,000 to \$300,000 price range. Except for a 400,000 square-meter island in Panama, which was formerly owned by John Wayne and is on the market at \$450,000.
 Since 1987, the Japanese have been VPI's best customers. Last year the real estate dealer sold a 25-acre island off Dahu, in Hawaii, to a Japanese client for \$8.5 million.
 "Japanese investors have purchased almost everything available on the market in the Hawaiian islands," says Mr. Vladi. "They have purchased castles in Germany and properties and islands along the Queensland coast in Australia." With the appreciation of the Japanese yen against the dollar over the past two years, even VPI's prices begin to sound affordable.
 In return, all the properties VPI offers are located in politically stable areas that place no restrictions on the buyer's nationality. It presently offers islands in 25 countries around the world.
 Vladi, a 43 year old Canadian citizen, was raised by his Iranian father and German mother in West Germany and got into the island business nearly 20 years ago. He first completed his doctorate in economics at Hamburg University and worked as a trainee for Deutsche Bank, West Germany's largest commercial bank.
 That's when he got into the island business. "I always dreamed of having my own island," he said. "So I started to look around. But I realized very quickly that I could not afford one." He found friends who were interested and brokered the sales. "Then the snowball effect set in," he said. After a while he had so many clients that he decided to give up his job at Deutsche Bank and sell islands full time. Since then, he has sold over 300 islands.
 His job takes him to places like Central America, the Indian Ocean, the Caribbean Sea and Hawaii. His real estate firm, with offices in Hamburg and Halifax, Nova Scotia, is not only an island broker, but also helps the new owners develop the property and offers travel assistance. In addition, the Canadian office is opening a management department which will do everything for the island owner from hiring caretakers to paying property taxes.
 According to Mr. Vladi, the outlook for the island market is bright. Since supply is limited and demand is steadily rising, islands are an excellent investment. "The more civilization destroys our mainland, the greater the demand for this last resort of untouched nature," he concludes, as he prepares to leave for the airport.
 — Sabine Krueger

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WALL STREET WATCH
Quality Still Lurking in the New York Market
Interest Rates
Interest Rates

July 1988

FRIDAY, JUNE 3, 1988

WALL STREET WATCH

Volatility Still Lurking On the New York Market

By ANISE C. WALLACE

NEW YORK — Investors rarely complain about volatility when prices go up. The surge of 107.57 points in the Dow Jones industrial average Tuesday and Wednesday is not likely to bring calls for new congressional investigations or ways to restore investor confidence.

But the experts are debating why short-term volatility has decreased.

Nonetheless, the advances were a jolting reminder of how volatile stock prices can be when traders line up on one side or another to sell or buy in a thinly traded market.

Those suspending program trading were Bear, Stearns & Co.; Kidder, Peabody & Co.; Morgan Stanley & Co.; Paine Webber Inc. and Salomon Brothers. Some Wall Street say the reduced volatility is directly linked to the May 10 suspension.

It is generally agreed that stock index arbitrage, in its pure form, is a technique that provides investors with greater liquidity without increasing long-term volatility.

Recall Urged for A Suzuki

U.S. Journal Says Samurai Overtakes

NEW YORK — The most influential U.S. consumer publication called Thursday for the recall of the Suzuki Samurai, saying the small Japanese sport utility vehicle tended to overturn at speeds of less than 40 mph (65 kph) in routine tests.

The Samurai was the only vehicle of its kind tested in the past 10 years to roll over during a routine accident-avoidance test, and the first in that period to be rated "not acceptable" by the magazine, said Consumers Union, the nonprofit organization that publishes Consumer Reports.

American Suzuki Motor Corp., the California-based unit of Suzuki Motor Co. of Japan, said it would issue a statement later.



A group of students, dressed as Rowntree candies, demonstrated in front of 10 Downing Street against Nestlé's efforts to acquire the confectionary company, which is based in northern England.

York Opposes Continental Invaders

But Battle of Rowntree Is Likely to End in Swiss Victory

By Steve Lohr NEW YORK Times Service NEW YORK — Not since the Boers led the Viking invasion in 866 have the locals put up such fierce resistance to foreign marauders as the citizens of York have displayed for more than a month in the face of later-day invaders from continental Europe: corporate raiders.

Today, the intruders come not from Scandinavia but Switzerland, Nestlé SA and Jacobs Suchard AG, and their weapons are multibillion-dollar war chests, not swords and axes.



Kenneth Dixon, chairman of Rowntree, is trying to convince institutional investors that the company has bright prospects if it can remain independent.

Pound Slumps Despite Increase In British Rates

LONDON — Currency speculators abandoned the pound for the dollar on Thursday, making it possible for the British government to raise interest rates and renew its struggle to curb inflation.

The pound fell sharply in both European and New York trading. After the pound opened under selling pressure in London, the Bank of England raised its money market lending rate to 8 percent from 7.5 percent, a signal that commercial banks should similarly increase their base lending rates.

At the close in London, the pound had fallen to \$1.8005 from \$1.8240 on Wednesday and to \$1.8105 from \$1.8150 DM. The dollar is now attracting investors speculating that U.S. interest rates may be headed higher.

U.S. Legislators Assail Bonn Over Growth

WASHINGTON Post Service WASHINGTON — A U.S. congressional panel said Thursday that an economic slowdown in West Germany was retarding growth in Europe, with a resulting negative impact in the rest of the world.

Hong Kong Panel Urges Broad Market Reforms

Says Exchange Operated Like a 'Club'

By Coleen Geraghty International Herald Tribune HONG KONG — Charging that a group of insiders had operated Hong Kong's stock exchange "as a private club for the general benefit of members, investors and issuers," a special review committee urged broad reforms Thursday in the regulation of the colony's securities industry.

The report by the Securities Review Committee, the result of a six-month critical study, recommended lifting a ban on corporate membership on the exchange's governing council, a suggestion backed by international brokers dealing in the Hong Kong market.



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Currency Rates

Table with columns for Currency, Bid, Ask, and other rates. Includes sub-sections for Cross Rates and Other Dollar Values.

Interest Rates

Table with columns for Term, Rate, and other interest rate data.

Key Money Rates

Table with columns for Instrument, Rate, and other money rate data.

U.S. Money Market Funds

Table with columns for Fund Name, Assets, and other money market fund data.

Gold

Table with columns for Location, Price, and other gold market data.

Risky Trading Threatens The Economy, Regan Avers

By Carl Gewirtz International Herald Tribune DALLAS — The risky new financial instruments introduced on Wall Street are driving investors out of the market and threaten to damage the underlying U.S. economy, the former Treasury secretary, Donald T. Regan, said Thursday.

Mr. Regan, an outspoken critic of program trading, said that the new instruments had so transformed stock trading that "the game is rigged."

Asian Dollar Deposits

Table with columns for Term, Rate, and other Asian dollar deposit data.

U.S. Money Market Funds

Table with columns for Fund Name, Assets, and other money market fund data.

Gold

Table with columns for Location, Price, and other gold market data.

Source: Reuters, Bank of Tokyo, Commercial Credit Bank of Japan.

Source: Reuters.

Source: Reuters.

Trade Development Bank head office in Geneva, at 96-98, rue du Rhône.

Thursdays NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High/Low, Div. Yld. PE, 52 Week High/Low, Close, Chg. Over. Lists various stocks and their performance.

Table with columns: 12 Month High/Low, Div. Yld. PE, 52 Week High/Low, Close, Chg. Over. Lists various stocks and their performance.

Table with columns: 12 Month High/Low, Div. Yld. PE, 52 Week High/Low, Close, Chg. Over. Lists various stocks and their performance.

U.S. Futures Via The Associated Press

June 2

Table with columns: Season High, Season Low, Open, High, Low, Close, Chg. Lists various futures contracts.

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NYSE Highs-Lows

Table with columns: NEW HIGHS 26, NEW LOWS 5. Lists stock symbols and their high/low prices.

AMEX Highs-Lows

Table with columns: NEW HIGHS 16, NEW LOWS 4. Lists stock symbols and their high/low prices.

Currency Options

Table with columns: Philadelphia Exchange, June 2. Lists currency options and their prices.

Dividends

Table with columns: Company, US\$1, Per Amt, Pay Rec. Lists companies and their dividend information.

S&P 100 Index Options

Table with columns: Call, Put, Price, Bid, Ask, Pct. Lists S&P 100 index options.

London Commodities

Table with columns: Class, Bid, Ask, High, Low, Pct. Lists London commodity prices.

London Metals

Table with columns: Class, Bid, Ask, High, Low, Pct. Lists London metal prices.

Paris Commodities

Table with columns: High, Low, Bid, Ask, Pct. Lists Paris commodity prices.

DM Futures Options

Table with columns: W. German Mark, Bid, Ask, High, Low, Pct. Lists DM futures options.

U.S. Treasuries

Table with columns: Maturity, Bid, Offer, Yield, Pct. Lists U.S. Treasury securities.

Company Results

Table with columns: Company, Revenue, Profit, Pct. Lists company financial results.

Stock Indexes

Table with columns: Index Name, Points, Pct. Lists various stock indexes.

Commodity Indexes

Table with columns: Index Name, Points, Pct. Lists commodity indexes.

Market Quotes

Table with columns: Market Name, Points, Pct. Lists various market quotes.

U.S. Asserts Japan Dumps Rubber Used in Autos

WASHINGTON — The U.S. International Trade Commission decided on Thursday that U.S. industry had been damaged by nitrile rubber imports from two Japanese companies...

OPEC Exceeded Quota On Production by a Wider Margin in May

PARIS — Output by OPEC's 13 member countries edged up to 18.6 million barrels a day in May from 18.4 million in April...

London Commodities

Summary of London commodity market activity, including prices for various goods.

London Metals

Summary of London metal market activity, including prices for various metals.

DM Futures Options

Summary of DM futures options market activity.

Large advertisement for Northern Energy Unit, featuring a circular logo and text about energy services.

BUSINESS ROUNDUP

Burlington Northern To Divest Energy Unit

NEW YORK — Burlington Northern Inc. said Thursday it plans to divest itself of its non-transportation subsidiary, and it said the unit may bid for some of Tenneco Inc.'s energy businesses, which are up for sale.

The Internal Revenue Service on the tax consequences of such a move. "This is a two-step process," said Richard M. Bressler, Burlington's chairman.

Swiss Central Bank Assails Limit on New Stockholders

ZURICH — The central bank of Switzerland assailed on Thursday a widespread practice under which Swiss companies limit the voting rights of new shareholders. It said the practice may be hurting Swiss financial markets.

Japanese Sealing Back Investments in U.S. Office Towers

By Eric N. Berg New York Times Service NEW YORK — After paying extraordinary sums for premier office buildings in New York, Los Angeles and other major U.S. cities, many Japanese real estate companies are adopting a more conservative investment strategy — a fact that is having a significant impact on the price of commercial real estate in the United States.

David Shulman, the director of real estate research at Salomon Brothers Inc., added: "The Japanese seem to be spreading out."

"We've seen exponential growth, and now it's moderating," said Jack Barthel, head of the consulting practice in Los Angeles for Kenneth Leventhal & Co. An accounting firm specializing in real estate, Leventhal predicts that Japanese investors will nonetheless spend a record \$16.6 billion this year on U.S. commercial real estate.

IBM Unveils Faster PS-2s, Marks Down 2 Old Models

NEW YORK — International Business Machines Corp. added seven high-powered models Thursday to its PS-2 line of personal computers and cut prices on two models in the year-old line by 5 to 18 percent.

Inventor of Pong Returns to Develop New Games for Atari

By Lawrence M. Fisher New York Times Service NEW YORK — Nolan K. Bushnell, who began the video game craze with Pong in the early 1970s, plans to return to developing the games for Atari Corp.

Atari itself has returned to profitability from heavy losses since Warner sold it to Jack Tramiel, a former Commodore International Ltd. executive, in 1984.

Atari itself has returned to profitability from heavy losses since Warner sold it to Jack Tramiel, a former Commodore International Ltd. executive, in 1984.

ROWNTREE: Hometown Opposes Foreign Bidders

(Continued from first finance page) Nestlé's latest offer is for 890 percent.

So far, Rowntree's management has refused to hold talks with either Swiss bidder, insisting that the York company should remain independent.

Dentsu Profit Increased 24% In Record Year

TOKYO — The world's largest advertising agency, Dentsu Inc., said Thursday that its unconsolidated pretax profit jumped 24.3 percent to a record 19.165 billion yen (\$152.95 million) in the year that ended March 31.

Managed Futures Portfolios with Limited Liability

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1987 performance up 79.87% 4th quarter 1987 up 33%

Balfour, Maclaine International (U.K.) Ltd.

IFINT Société Anonyme Registered Office: Luxembourg - 2, Boulevard Royal R.C. Luxembourg B-6734 Notice to Shareholders PAYMENT OF DIVIDEND 1987

VOLMAC Volmac Software Groep N.V. established at Utrecht, the Netherlands Introduction on the Official Market of the Amsterdam Stock Exchange and secondary offering of 3,900,000 shares

KfW 1987 Well Prepared for further Growth In 1987 KfW succeeded once more in reaching its goal for the year and at the same time strengthened its potential for future development.

- Bank Mees & Hope NV Algemene Bank Nederland N.V. Amsterdam-Rotterdam Bank N.V. F. van Lanschot Bankiers N.V. Nederlandsche Middenstandsbank nv Pierson, Heldring & Pierson N.V. Rabobank Nederland Union Bank of Switzerland (Securities) Limited S.G. Warburg Securities

Highlights of KfW's Balance Sheet 1987 DM billion 36.3 69.6 13.7 3.7 1986 Capital and reserves Bonds Banking liabilities Loans granted Balance sheet total A copy of KfW's 1987 Annual Report is available upon request. KfW Kreditanstalt für Wiederaufbau P.O. Box 111141 D-6000 Frankfurt am Main 1 Federal Republic of Germany

Thursday's AMEX Closing

Tables include the nationwide prices on the closing on Wall Street and do not reflect local trades elsewhere.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, % Chg. Includes various stock listings and their performance metrics.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, % Chg. Continuation of stock listings from the previous table.

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INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 2nd June 1988

Large table listing various international funds with columns for fund name, share price, and other financial details.

Floating-Rate Notes

Table listing floating-rate notes in various currencies (Dollars, Deutsche Marks, Pounds Sterling, Japanese Yen, ECU) with columns for currency, note type, and interest rate.

Handwritten signature or mark at the bottom of the page.

CURRENCY MARKETS

POUND: Currency Slumps Despite U.K. Rate Rise

(Continued from first finance page)
son and Prime Minister Margaret Thatcher resolved a major policy disagreement.
While Mr. Lawson was concerned about an overvalued pound, Mrs. Thatcher was worried that a credit-fueled consumer boom was endangering efforts to hold down British inflation, which is running at a 3.9 percent annual rate. She had therefore opposed the idea of reducing interest rates to lower the value of the pound.
But the pound began to decline this week, even as Confederation of British Industry reported that the currency's strength was beginning to curtail the export earnings of small companies.
Mark Brett, an economist with Barclays de Zoete Wedd Ltd., said investors had switched from the pound to the dollar.
"I think that within a couple of months, sterling will be stable at between 3.10 and 3.20 against the mark, and interest rates will be back up to 9 to 9.5 percent," he said.
The index of the pound against the currencies of its major trading partners fell to 76.5, from 77.3 on

London Dollar Rates

Table with columns: Currency, Bid, Ask, and other market data for London Dollar Rates.

Wednesday. It was the lowest close on the index since March 7.
In New York, traders said the Federal Reserve system was selling dollars for yen, pounds and marks to keep the U.S. currency from rising.
Robert Hatcher, chief foreign exchange dealer with Barclay's Bank, New York, said the Fed was prompted to intervene as the greenback surged beyond the 1.73 DM level.
He said the Fed sold dollars in a straight trade for marks toward the end of the morning.
This was confirmed by a dealer with the European American Bank who said the West German central bank was rumored to have carried out similar transactions to stop the soaring dollar.
Speculation of an imminent U.S.

discount rate rise has subsided, but dealers said that the recent rise in the federal funds interbank loan rate to between 7.25 percent and 7.375 percent from around 7 percent was sufficient to bolster the dollar.
"I don't think there's any overwhelming dollar sentiment right now," said James McGroarty of Discount Corp. of New York. "People are reasonably constructive because they expect the U.S. economy to expand and inflation to remain reasonably low."
The dollar rose to 126.175 yen from 125.375 on Wednesday, but it fell to 1.4348 Swiss francs from 1.4435 and to 5.8245 French francs from 5.8425.
Earlier in London, the rise of the mark outpaced that of the dollar. The U.S. unit fell to 1.7240 DM from 1.7275 on Wednesday. The dollar also weakened to 1.4375 Swiss francs, down from 1.4420 on Wednesday.
But the U.S. currency advanced against the French franc, rising to 5.8475 from 5.8295 on Wednesday, and it rose to 126.70 yen from 125.25.

Australia Unit Alters Course, Falls Sharply

REUTERS
SYDNEY — The Australian dollar reversed its recent climb and fell sharply on Thursday after early profit-taking broke key support levels, dealers said.
In heavy trading, the Australian dollar closed in Sydney at 80.38 U.S. cents, down from 81.25 on Wednesday.
Dealers said an early breach of support in the low 81-cent range led the Australian currency down through the key 80.80-cent support level.
The currency was apparently not helped by National Australia Bank Ltd.'s announcement that it will raise its prime lending rate to 14.75 percent from 14.0 percent, the highest of the country's four major commercial banks.
The other banks maintain a 14.5 percent prime rate.

REFORMS: H.K. Panel Acts

(Continued from first finance page)
supervisory body outside the civil service. The idea here is to remove the government from any direct involvement in exchange affairs.
Two stock exchange officials immediately lent support to the study's recommendations.
The exchange's recently appointed chief executive, Robert Fell, predicted that exchange members would find the report "broadly, a favorable document." Robert Yue, chairman of the exchange's management committee, called its recommendations "quite reasonable."
Stock exchange members are to discuss the proposals next week.
Neither Mr. Fell nor Mr. Yue would predict how individual brokers, who comprise about 70 percent of exchange membership, would react to the recommendations that corporate members be appointed to the governing council.
Legislation will be necessary to change the council's structure unless 75 percent of the membership votes to lift the ban.
The Securities Review Committee's study was headed by Ian Hay Davison, a former chief executive and deputy chairman of Lloyd's of London.
Mr. Hay Davison declared Thursday that Hong Kong should aim to become "the pre-eminent capital market in Southeast Asia," drawing major companies of the region that seek to raise new funds.
Among the committee's other major recommendations were:
• A call to extend settlement periods to three days in order to give overseas institutions time to comply with deadlines.
• An end to the practice of "back door" listing, whereby a firm may forego the standard listing requirements by purchasing the shell of a nonfunctioning company still listed on the stock exchange.
• A restructuring of the clearing and guarantee functions of the futures exchange so that the clearing house becomes part of the exchange and the guarantee is backed by a clearing members fund.

TO OUR READERS IN HOLLAND

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Bérégovoy Says U.K. Stance on EMS Blocks Wider Reform

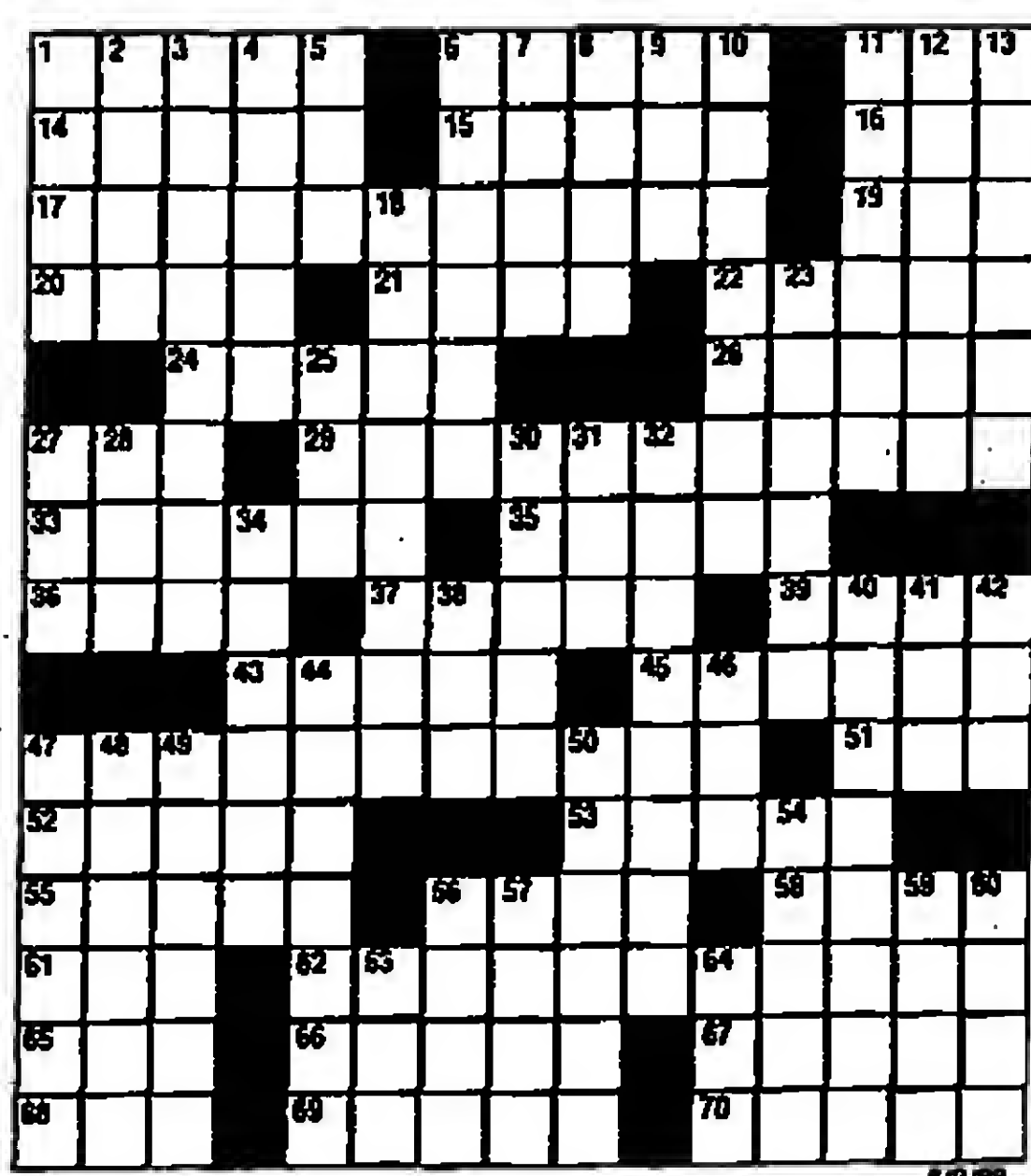
PARIS — Finance Minister Pierre Bérégovoy asserted Thursday that Britain was blocking progress on wider European monetary reform by refusing to bring the pound into the European Monetary System's floating grid of exchange rates.
He said that Britain would have to decide either to participate in the ECU or to take the pound out of the basket of currencies that make up the European currency unit.
It is difficult to make progress on the ECU if Britain is not participating in the exchange rate mechanism, he said. "Sterling affects the ECU but is outside the exchange mechanism; it is a contradiction.

Mr. Bérégovoy said that Nigel Lawson, the British chancellor of the Exchequer, favored full EMS membership for the pound but that Prime Minister Margaret Thatcher opposed it.
In a speech last month at the height of a public dispute within the British cabinet over exchange-rate policy, Foreign Secretary Geoffrey Howe supported Mr. Lawson's position, stating bluntly that Britain could not indefinitely declare its intention to join the EMS when conditions are right.
The only major question, which has to be confronted, is the British attitude on the participation of sterling in the EMS," Mr. Bérégovoy said. "Either one should take

part in an exchange-rate mechanism, or one should not. But then what is sterling doing in the ECU?"
Successful French governments have tried to persuade Britain to join the EMS grid, in which eight currencies can fluctuate against each other within set ranges.
But France's attempts to urge progress toward European monetary union and a stronger role for the ECU as an international currency have been frustrated by the divergence of rules governing the currencies of the 12 European Community nations.
Although the Deutsche mark, Dutch guilder, Danish krone, Irish punt and French and Belgian francs are subjected to a 2.25 per-

cent fluctuation limit, Italy's lira, which is also a member of the grid, may fluctuate by up to 6 percent.
The pound, like the Greek drachma, is outside the EMS float but is part of the ECU basket of currencies. While the drachma has a relatively low weighting within the ECU basket, however, sterling's role as a reserve and a petro-currency ensures that its impact on other units is much greater.
The Spanish and Portuguese currencies are outside the system.
France has pushed hard for the establishment of a European central bank that would use the ECU as its reserve currency. West Germany has lent guarded support to the idea.

Large financial table containing OTC Prices, NASDAQ prices, and various stock market data including company names, prices, and percentages.



ACROSS

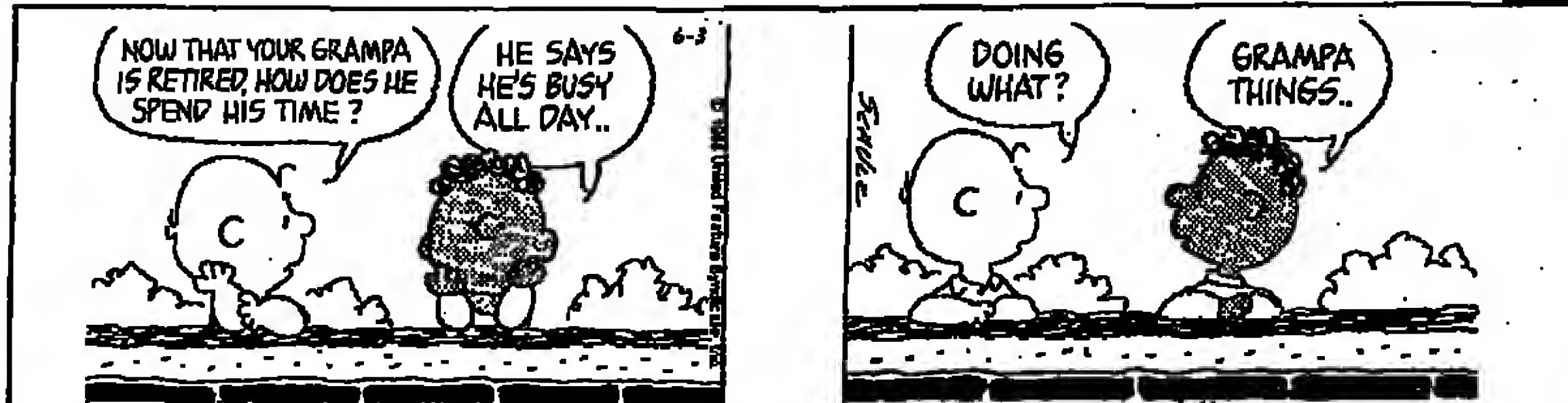
1 Small lizard
6 "Ad — per Aspera," Kan. motto
11 Dallas ins.
14 Pirouge, e.g.
15 Bayes and Efron
17 Full of twists and turns
19 Wrath
20 Mangel-wurzel
21 Associate
22 Colo. resort
24 Basel's river
26 Epic starring Achilles
27 Kaiser or Maxwell
29 Gloomy
33 Actor Brian
35 Taut
36 "... call of the tundra," Massfield
37 Assesed
39 Radar display
43 Author St. Johns
45 Medical
47 Rudimentary
51 A people of Nigeria
52 "But now I feel like thirty" — Ade
53 Punkies, e.g.
55 Grip

DOWN

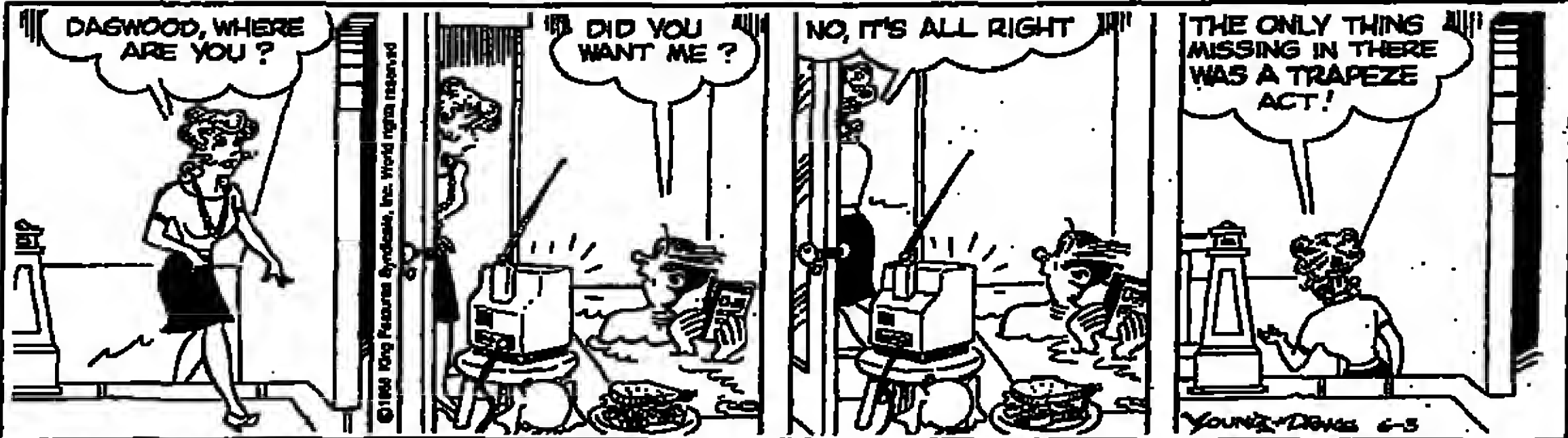
1 Strikerbreaker
2 Welles role
3 Deduced
4 Fawn Hall's boss
5 Mauna — Hawaiian peak
6 Horn
7 Kind of food
8 Schlemm's
9 Writer Santha Rama
10 Attacks
11 Hannibal's nemesis
12 Actress
13 Defeats
18 Galloped easily
23 Most foxy river
25 Actor
26 McKellen
27 Marquis's Mehltafel
28 Pacific tuna
30 Fragrant oil
31 Busy one
32 Tarkington was one
34 Responds to a stimulus
36 Wing on an angelus
40 Shakespearean heroine
41 Succor
42 Sgt.
44 Hopelessness
46 Memorabilia
47 Gather, as interest
48 A source of caviar
49 Charm
50 Paderewski
54 Alpine region
56 Lairs
57 World War II alliance
59 Wife of Geraint
60 Descartes
63 Singer Rawls
64 O.R. figures

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PEANUTS



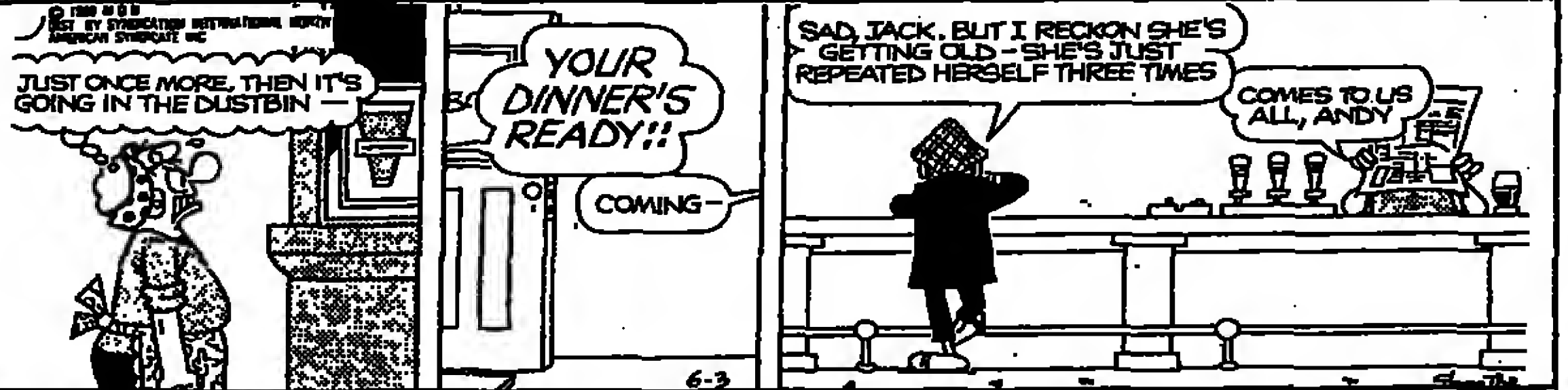
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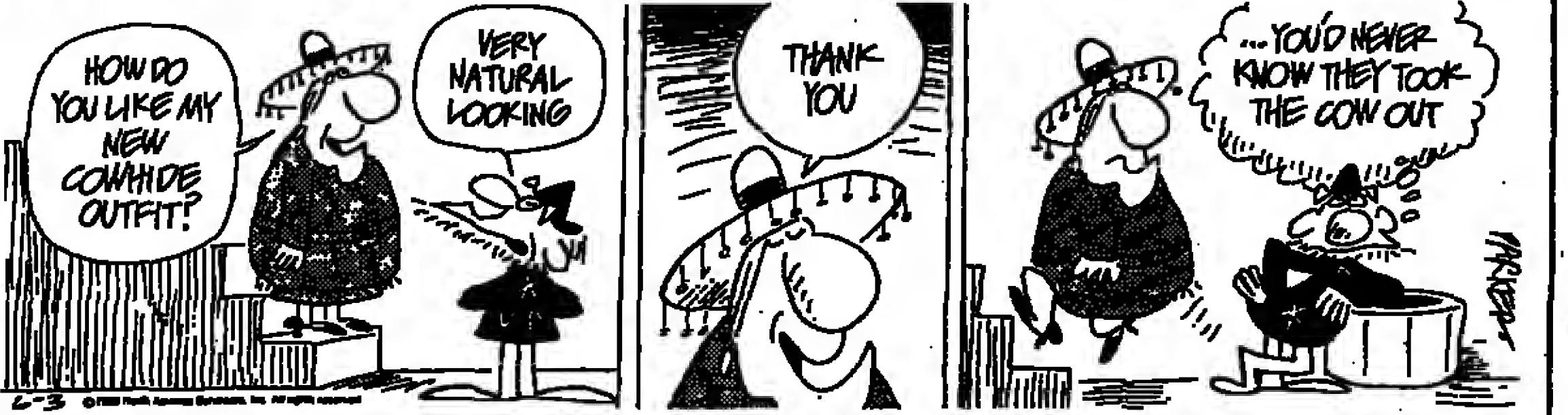
BETLE BAILEY



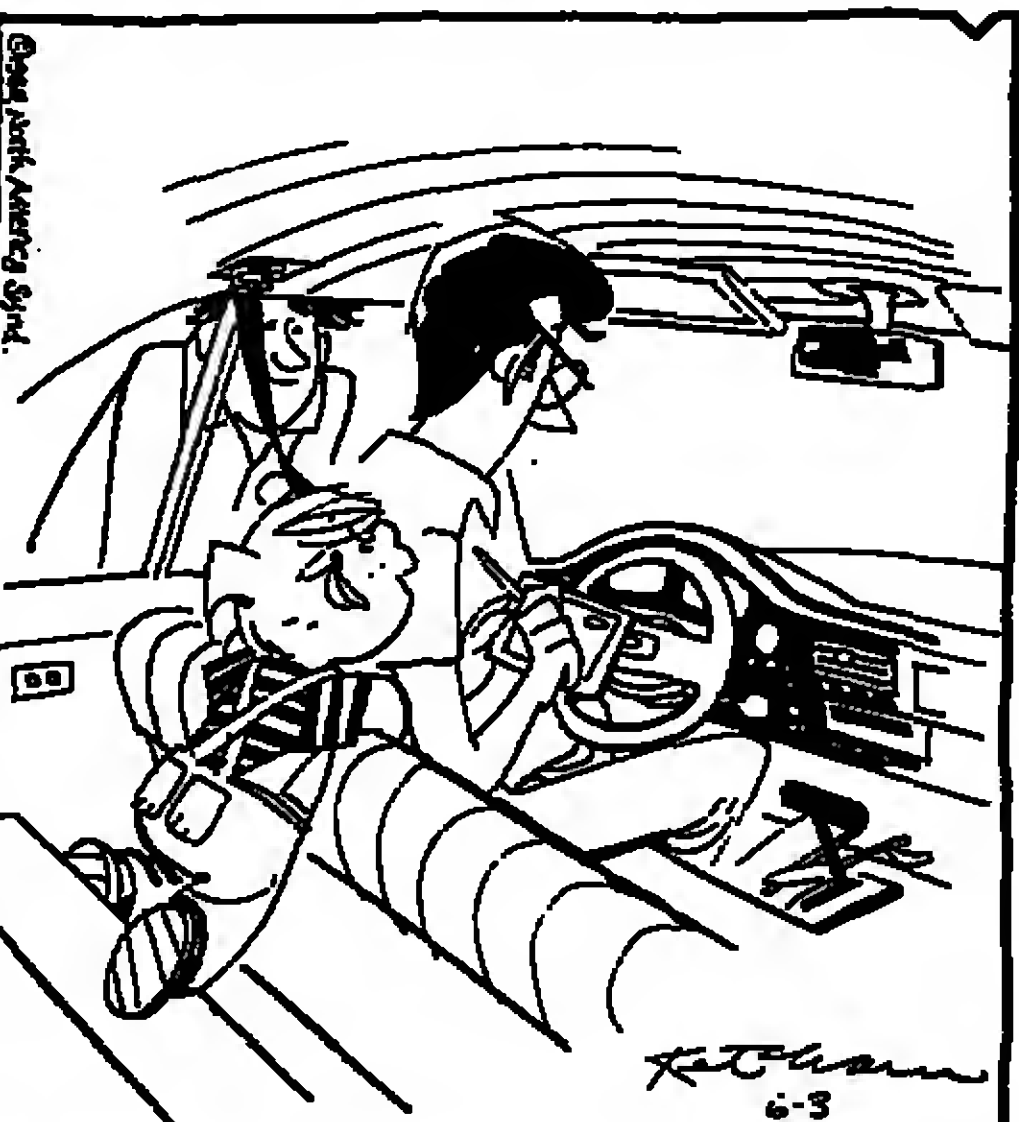
ANDY CAPP



WIZARD OF ID



DENNIS THE MENACE



"WHAT KIND OF GAS DO WE USE... REGULAR OR DIET?"

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

YACED

UNREP

GLANJE

THAGAS



WHY EVERYONE LOVES A BANANA.

Print answer here: IT HAS

Yesterday's Jumbles: DUMPHY FAINT JINNEY PALACE

Answer: What kind of remarks did the pancake chef make? — FLIP-PANTY ONES

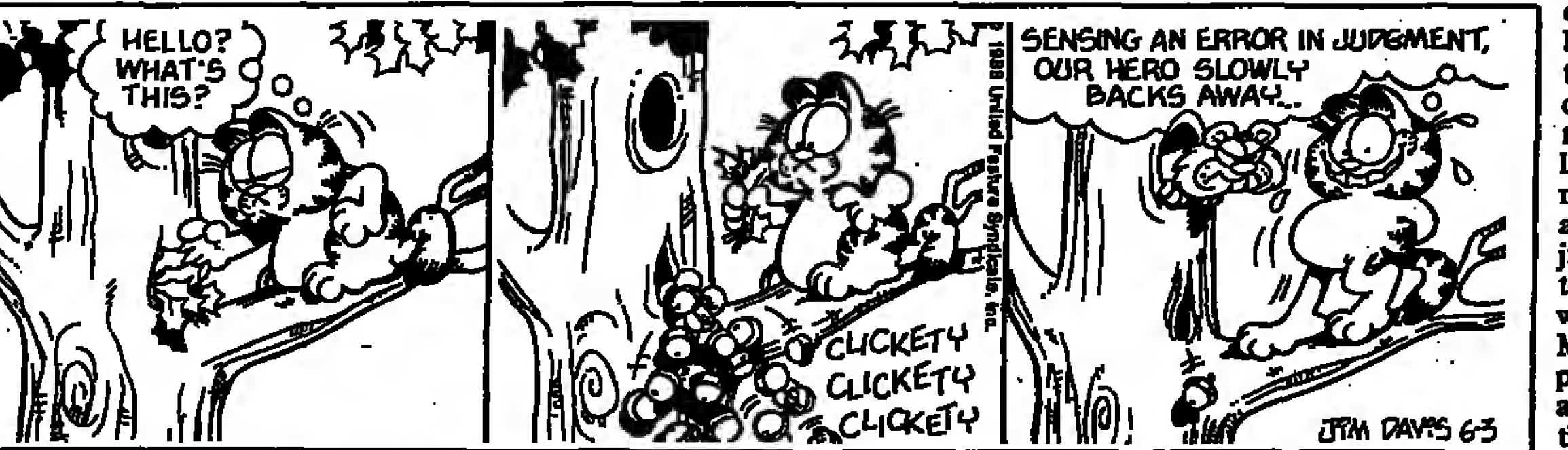
WEATHER

Table with weather forecasts for Europe, Asia, Africa, Latin America, North America, Middle East, and Oceania.

REX MORGAN



GARFIELD



World Stock Markets

Large table showing closing prices for various international stock markets including Amsterdam, Hong Kong, London, Tokyo, and others.

BOOKS

CAPOTE By Gerald Clarke. Illustrated. 632 pages. \$22.95. Simon & Schuster, 1230 Avenue of the Americas, New York, N. Y. 10020. Reviewed by Michiko Kakutani.

"ANSWERED PRAYERS," the title of Truman Capote's last and unfinished novel, came from an aphorism attributed to St. Teresa — that more tears are shed over answered prayers than unanswered ones; and as chronicled by Gerald Clarke's gossipy biography, Capote's life engages as an all too graphic illustration of that saying.

Having had access to Capote for some nine years before his death in 1984, Clarke has been able to re-create much of his life with journalistic detail, fluently conjuring up for us both the rarefied world he inhabited in Manhattan, Paris and Palm Springs, California, and the gothic, storybook world of his childhood in Alabama, which would indelibly shape his ambitions and his fears.

Clarke devotes an enormous amount of space in this book to such antics — and to Capote's various love affairs and flings, while often breezing over his actual writing. Although he gives us a thorough appraisal of "In Cold Blood" (including a fascinating examination of Capote's complicated relationship with the murderer Perry Smith), he skims over "The Grass Harp" in five pages and "Breakfast at Tiffany's" in two.

In the end, though, Capote seems less sympathetic than merely pathetic. Vengeful, petty and opportunistic, he ended by cutting off his own family and betraying the confidences of his best friends — and in doing so, he insured that his lifelong fear of abandonment would become a self-fulfilling prophecy.

Michiko Kakutani is on the staff of The New York Times.

BRIDGE

By Alan Truscott TWO veteran New York experts, who were playing together a quarter of a century ago, led into the final two sessions of the prestigious Golden Gate Pairs at the Eastern Regional Championships. Gene Proszitz of Brooklyn and Ira Ewen of Jamaica, Queens, topped a strong field with a qualifying score of 590 match points.

The women's pair champions, sitting East-West, died with death on the diagrammed deal. Ironically, they were in jeopardy because the opponents' bidding had gone off the rails: they reached two diamonds doubled, unnumbered in trumps and high-card points, missing the obvious five-four club fit. Many players would pass with the East hand, or try a weak-two in spades. East chose one spade, and her partner redoubled when South doubled. North should have bid two clubs, or even three clubs. Her total passivity, on this round and the next, landed South in two diamonds doubled. The two-diamond bid was also ill-judged: one no-trump in between an SOS redouble would have been better. McCallum as West was happy to double two diamonds and chose a trump lead with the idea of stopping a ruff.

Bridge hand diagram showing cards for North and South.

North and South were vulnerable. The bidding: North 1♠, South 2♦, North 3♦, South 4♦, North 5♦, South 6♦, North 7♦, South 7♦.

Table with Canadian stock prices for various companies.

Table with Tokyo stock prices for various companies.

Table with Sao Paulo stock prices for various companies.

Table with Rio de Janeiro stock prices for various companies.

Table with Singapore stock prices for various companies.

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The Daily Source for International Investors. A large advertisement for a financial service.

SPORTS

Lendl Routed by Svensson, Injury in 3 Sets

Leconte Wins; Graf, Zvereva in Women's Final

By Robin Herman

PARIS — Top-seeded Ivan Lendl was quickly conquered Thursday by Jonas B. Svensson, by a score of 7-6 (7-5), 7-5, 6-2, in the biggest surprise of a French Open full of surprises this year.

Svensson, an unseeded Swede, pushed Lendl to the limit with a mix of shots unusual for clay court tennis. Then one stretch too many by Lendl late in the second set resulted in a strained chest muscle for the two-time defending champion.

Spiraling out of the contest in the third set, the stoic Czech called for a trainer, who sprayed a cold, numbing "liquid ice" under his shirt. But, said Lendl, "At that time I knew I was gone. I was hoping for a miracle, maybe him getting very tired or something like that or the ice working, but it was a long shot."

More predictable was the 6-3, 7-6 (7-3) victory by the women's top seed, Steffi Graf, 18, of West Germany, over fourth-seeded Gabriela Sabatini, 18, of Argentina. Graf served especially well while Sabatini committed a recent pattern of errors, particularly on her backhand.



Jonas Svensson celebrated his unexpected victory Thursday after top-seeded Ivan Lendl explained his pain to a trainer during the three-set upset.

Heidi Leconte, the men's 11th seed, worked his way back into favor with his critical French audience with a 6-3, 6-2, 7-6 (7-4) quarterfinal victory over No. 14 Andrei Chernenko of the Soviet Union, while in the women's other semifinal, 17-year-old Natalia Zvereva of the Soviet Union beat 18-year-old Australian Nicole Provis, 6-3, 6-7 (3-7), 7-5.

The 13th-seeded Zvereva became the first Soviet player to reach the French Open women's singles final after both players held and lost match points during a contest that lasted just more than two hours. A sign of the times in women's tennis, it had been the first all-teenage semifinals in Grand Slam history.

In Saturday's final Graf will face Zvereva while Svensson, 21, will play Leconte in the top half of the men's semifinals and Sweden's top player, third-seeded Mats Wilander, will have the 18-year-old American, Andre Agassi, on his hands.

Svensson, until Thursday, had been just another Swede — a generation inspired by the legendary Bjorn Borg. But the tall, curly haired blond, who is ranked 21st in the world, distinguishes himself with a middlehand and lately with a hard-court, serve and volley game transferred whole to clay courts.

Unlike the other Swedes here, who rally patiently from the baseline, he has been trying to stay on the attack and make use of a deft drop shot that falls as soft as cotton on the other side of the net.

Svensson said his West German coach, Tim Klein, had scouted Lendl all week and that their "game plan" was "to confuse him, hit slow balls to him so he would feel safe back there and then hit a fast one and come in. He didn't know if I was coming in, hitting a drop shot, hitting hard, soft. I think that helped me a lot."

Lendl's first problem was not his shoulder but Svensson's clever play. "First of all he wasn't missing," said Lendl. "That was a problem to start with. He was taking the ball early and he was playing very unorthodox kind of tennis on clay courts."

Off balance, Lendl found himself in a tie breaker in the first set, but looked like a champion in forging ahead, 5-2, despite the distracting noise of a union's demonstration just outside the gates of Roland Garros Stadium. The demonstrators, from a plant-owned manufacturer of airplane engines, were using bullhorns to blast music and yell into the stadium to disrupt the tournament and attract attention.

"Do something about it," Lendl said to chair umpire Jacques Dorfmann as he readied to serve at 5-3. Dorfmann shrugged — the demonstrators were outside stadium grounds — and Lendl lost his serve.

Svensson, initially flustered by the noise, forced himself to concentrate and won five straight points. After Lendl hit two forehands long and put a backhand into the net, Svensson made it 5-5 on a high backhand volley, then closed out the tie breaker on his serve with two volleys, one to each side of the court.

In the second set, Lendl had two set points serving at 5-4, but Svensson broke him with a series of drop shots. The Swede appearing to set to slam the ball, would instead pull up short and drop it softly near the net.

The third set belonged to Svensson, who finished off his victory in two hours, 40 minutes. He expected more pressure from Lendl, he said, and thought certainly that if anyone would win in three sets it would be the world's top player.

"If he plays 100 percent I don't beat him," said Svensson. "But if he plays a little bit down I have a chance and I took it today." His respect for Lendl's position as No. 1 was obvious when he asked the press corps what the noise had been outside the stadium. "A demonstration," he was told. "Against me?" he asked, in all seriousness.

Guard Dennis Johnson injured his back when he fell, but it was the Celtics' poor shooting in the second half, when they missed 26 of 36 shots and scored only 38 points, that hurt them the most.

Thomas Rallies Pistons to Rout In OT; Celts 1 Game From Out

Compiled by Our Staff From Dispatches

BOSTON — With Isiah Thomas scoring 20 of his game-high 35 points in the fourth quarter and overtime Wednesday night, the Detroit Pistons beat the Boston Celtics, 102-96, in the National Basketball Association playoffs by overcoming a 16-point deficit when the home team missed 13 straight shots and scored but two points in more than seven minutes of the second half.

That gave the Pistons a 3-2 lead in the best-of-seven Eastern Conference final. With a victory Friday night in the Silverdome in Pontiac, Michigan, they can advance to their first NBA final since the franchise was moved from Fort Wayne, Indiana, in 1958.

The Pistons, who ended a 21-game losing streak in Boston Garden in this series' first game, now have won two of the three played there. The seventh game, if necessary, is to be played there Sunday. Only five players scored Wednesday night for the Celtics: Larry Bird with 27 points, Kevin McHale with 26 before fouling out with 1:59 left in regulation, Dennis Johnson with 23, Robert Parish with 18 and seldom-used reserve Cedric Belfrage with two. Boston's Fred Roberts, who used with 1:10 left, sent the contest into overtime tied at 92 after both Thomas and Bird threw missed shots. Starting center Danny Ainge was scoreless.

After Johnson got a lay-up in overtime, Celtics coach Doc Rivers called a timeout. Bird then missed a shot. Starting guard Danny Ainge was scoreless. After Johnson got a lay-up in overtime, Celtics coach Doc Rivers called a timeout. Bird then missed a shot. Starting guard Danny Ainge was scoreless.

That's the first time that's ever happened in my life," Thomas said. "I've been proud of the way I've been playing defense this series. I'm just trying to get a hand up on Danny's shot." A year ago, in the fifth game of a conference final, the all-star guard was stolen by Bird and Ainge to a last-second, 108-107 victory for the Celtics. This time, the game was brilliant, particularly during the final 17 minutes. "At a student of the game, it's rewarding to say I passed the algebra test," Thomas said. "I didn't think it this time."

During the last 6:15 of the fourth period, he took shots on 10 of the Pistons' 12 possessions, scoring 12 points and assisting on a basket that center Bill Laimbeer converted into a three-point play.

The Celtics, who made 52 percent of their shots in the first half, had

NBA PLAYOFFS

pullled ahead in the first seven minutes of the second quarter, when the Pistons went two-for-13 and got only four points. But Boston was 10-for-36 in the next half, which it opened on Parish's basket for a 56-49 lead. In those two quarters the Celtics scored only 36 more points, barely keeping pace with Thomas.

"A lot of great players come into this league and never get in a championship [series] game," Thomas said. "My whole focus is on getting there. I never even thought about getting tired."

"If I have to take 30 or 40 shots, I'm going to shoot the ball," he said. "I'm not going to keep my confidence. You either going to shoot or not out of it or shoot it into it." (WP, UPI, AP)

Motor City's Lemons Turn Wreckers

By Joe Lapointe

DETROIT — During their first quarter-century representing the Motor City in pro basketball, the Detroit Pistons evoked bad jokes about flat tires, stalled engines and lemons from the assembly line.

They rarely won more games than they lost. They qualified for the playoffs less than half the time and, more often than not, lost in the first round. Draft choices were squandered, strange trades were made and coaches came and went, rarely to coach again in the National Basketball Association.

Their home court moved from place to place in the metropolitan area, from the Olympia to Cobo Arena to the Silverdome. One playoff game was in a high school gym. In the minds of Detroit sports fans, the Pistons were fourth among the city's four professional teams.

Last season, after a gradual building through the 1980s, the Pistons gained a new level of status both locally and nationally by winning two playoff series and taking the Boston Celtics to seven games before losing a bitter and memorable Eastern Conference final series.

This season, their 31st since arriving from Fort Wayne, Indiana, the Pistons are respected, if not loved, in the NBA.

They won a divisional title for the first time. They tied with Denver for the league's third-best record (54-28) behind Los Angeles and Boston. They easily ousted the Chicago Bulls in the conference semifinals. They have the Celtics on the ropes in the final.

Although it still sounds strange to those who know this franchise's history, it isn't preposterous to suggest that the Pistons are contenders for the league championship. "You've got to hammer and hammer over your time will come," said Bill Laimbeer, their rugged center. "If you bash on that door long enough, it will fall down."

Verbs like "bash" and "hammer" are appropriate to describe the play of Laimbeer and his teammates. Around the league, they are considered heavyweights by many for their rugged play and cocky attitude.

"I remember when Bill played with Cleveland a few years ago, he elbowed Terry Tyler in the throat," said Tom Wilson, their executive director, who announces some games on cable television. "I said right then, 'That's the kind of guy you love on the other team but you love on your team.' That was it."

Laimbeer isn't the only Piston with a mean streak. In a game at Chicago in January, Rick Mahorn grabbed the Bulls' Jordan and dropped him onto the court. This started a brawl at the Chicago bench that ended with Mahorn grabbing the Bulls' coach, Doug Collins, around the neck and throwing him one game and fined \$1,000.

"That definition of a foul," Jordan said, "is something that can hurt me." Even Isiah Thomas, the 6-foot-1-

LUCKHURST QUILTS

NFL — to Talk About It in U.K.

United Press International

SUWANEE, Georgia — Mick Luckhurst of the Atlanta Falcons, one of the National Football League's better placekickers, announced Wednesday that he is leaving the NFL "at least for now" to become host of a weekly British television sports show devoted to U.S. pro football.

The 30-year-old Englishman said, "I want to do something meaningful. What I'm doing is accepting an offer to begin a new career."

Luckhurst, who has spent seven seasons with the Falcons, will be "the presenter" for a U.S. produced show shown by Channel 4 throughout Britain.

"This was not a financial decision," he said. "I'll be making less money than I made playing football."

During the last 6:15 of the fourth period, he took shots on 10 of the Pistons' 12 possessions, scoring 12 points and assisting on a basket that center Bill Laimbeer converted into a three-point play.

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BASEBALL ROUNDUP

NEW YORK — The Los Angeles Dodgers beat the New York Mets, 4-3, Wednesday night for the first time this season, but if the National League leaders meet in the playoffs it may take a disarmament pact to ensure the peace.

When they played in Los Angeles last month, Alfredo Griffin suffered a broken hand when he was hit by a pitch from the Mets' Dwight Gooden. The next day, Pedro Guerrero, having been hit by David Cone's pitch, threw his bat at the Mets' starter and was suspended for four days. At the start of this series, both teams were warned about knockdown pitches.

Burnt the top of the third inning of Wednesday night's sixth game between the team's diving to the dirt by a first-pitch fastball from Sid Fernandez, which hit the knob of Sar's bat. In the bottom of the inning, Tim Belcher was ejected for hitting the first batter up, Kevin Elster, in the small of the back.

Elster, as a late-inning defensive replacement Tuesday night, had homered with two out in the bottom of the 11th to give the Mets a 5-4 victory. "I wasn't surprised that I was ejected," Belcher said. "My prob-

lem is why Fernandez wasn't thrown out, too."

Said the Dodgers' manager Tom Lasorda, ejected along with his pitcher, "I know for a fact that Belcher wasn't throwing at them."

Said the Mets' manager, Dave Johnson: "Sid has never thrown at anybody in his whole life."

When the teams settled down to baseball in the fourth inning, Mike Marshall hit a sacrifice fly and Fernandez balked home to pin give the Dodgers a 2-0 lead. Pinch-hitter Jeff Hamilton's two-run single in the seventh made it 4-1.

When Kevin McReynolds began the home ninth with a homer off Jesse Orosco, and pinch-hitter Gary Carter, following Howard Johnson's double, greeted Jay Howell with an RBI single, it became 4-3. But one out later, after Dave Magadan had walked, Lee Mazzilli lined into a game-ending double play to second base.

Cubs 6, Reds 3: In Chicago, Ryan Sandberg hit two homers and Greg Maddux became the NL's first nine-game winner, holding Cincinnati to five hits in 8 1/2 innings as he helped spoil Pete Rose's return from a 30-day suspension.

Giants 2, Expos 1: In Montreal, the first hit off Floyd Youmans, Will Clark's seventh-inning homer, gave San Francisco a 1-1 tie. Then Jeffrey Leonard doubled, taking third as his sinking liner popped out of the glove of center fielder Mitch Webster and scored the winning run on Mike Aldred's suicide squeeze bunt. Until then, the Giants had only three base runners, all on walks.

Braves 14, Pirates 2: In Atlanta, Rick Mahler equaled his major-league high with a seventh consecutive victory, all in a 24-day stretch, as Gerald Perry and Ron Gant hit two-run homers during a six-run fifth against Pittsburgh.

Cardinals 3, Astros 2: In Houston, pinch-hitter Steve Lake's two-out single in the 13th gave St. Louis its victory by scoring Luis Alcega, who had doubled.

Twins 7, Rangers 1: In the American League, in Minneapolis, Frank Viola pitched a five-hitter against Texas to win his team-record-tying ninth straight with the help of Kirby Puckett, who had three hits and RBI. Viola, who matched the record set by Stan Williams in 1970, had

TRANSITION

BASEBALL

BOSTON — Phil W. Gossard, pitcher, an 18-year-old drafted last fall. Called up Zach Grubbs pitcher, even before the season. OAKLAND — Activated Terry Steinbach, catcher. Options Todd Burns, pitcher, to Toronto. Pacific Coast League. SEATTLE — Signed Steve Sotelo, designated hitter. Sent Dennis Phipps, pitcher, to Colorado. Pacific Coast League. TORONTO — Reassigned Henry Lee, infielder, from disabled list. Dornford Aledis, infielder, to Syracuse. International League.

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SCOREBOARD

BASKETBALL

NBA Playoffs

Table with columns for Eastern Conference Final and Western Conference Final, listing teams and scores.

Playoff Schedule

Table listing dates and times for Eastern and Western Conference Finals.

SOCCER

FRIENDLY INTERNATIONALS

Table listing soccer matches between various national teams.

BASEBALL

Wednesday's Major League Line Scores

Table showing MLB game results for Wednesday, including teams, scores, and key statistics.

Major League Standings

Table showing current standings for MLB teams in the American and National Leagues.

TENNIS

French Open Results

Table listing tennis match results from the French Open, including winners and scores.

Men's Singles

Table listing men's singles tennis match results.

Women's Singles

Table listing women's singles tennis match results.

Men's Doubles

Table listing men's doubles tennis match results.

Women's Doubles

Table listing women's doubles tennis match results.

OBSERVER

The Vanishing Villains

By Russell Baker
NEW YORK — Call me slow on the uptake, but I am still baffled about what was going on in "The Bourne Identity," a mini-series that kept me so tightly glued to the TV tube that wild horses were needed to tear me away.

To summarize briefly: A dozen or so murderous men, including a high official of one of Zurich's snootiest banks, spent several hours trying unsuccessfully to kill Richard Chamberlain.

Usually entertainment murderers like these are affiliated with some certifiably villainous organization like the Soviet Union or some vestigial branch of the Third Reich, but not these birds. Unless I missed something, these killers had no association with any major villainous enterprise.

They were simply mean men who had no use for Chamberlain or the supersecret American good-guy agency he worked for. But that didn't make any sense because, look, you can't put together a big gang to wipe out a supersecret American good-guy agency unless you have big bankrolling.

How do I know? Elementary, my dear Watson. Suppose a fellow from one of Zurich's snootiest banks says, "I am assembling a large group to murder Richard Chamberlain and thought perhaps you might like to join us."

You are not going to say, "Golly, yes, I can't wait to attack Chamberlain in the first way?" No, you are going to figure the odds. Everybody knows that killers who go up against Richard Chamberlain don't live long.

That's why these schemes to kill Richard Chamberlain need to be with the Soviet Union or Nazi Germany. They need nutty old-timers with deeply rooted loyalties to the OGPU or insane devotion to the memory of Der Fuehrer.

Only madness on this scale can tempt a man to throw away his life by tangling with Richard Chamberlain. If the killers in "The Bourne Identity" are sacrificing themselves for any villainous institution at all, however, it must have been explained while I was sleeping after a commercial break.

I am getting at something serious, which could be made even graver by President Reagan's de-facto moves toward good fellowship with the Soviet Union. I.

New York Times Service

Joni Mitchell: 'Snapshots' That Last

By Mike Zwerin
International Herald Tribune

PARIS — Joni Mitchell does not sell millions of records. Still her talent is so undeniable and her output so largely respected that her record companies are resigned to considering prestige as her bottom line.

But she makes big-budget albums. The latest one looks as though it may not emerge from the lower half of the top 100. Which could result in what she considers the "kiss of death." Geffen Records has warned her that if this one does not recoup its costs they will release a Joni Mitchell greatest hits collection, which, she says, will "kill my catalogue. The stores will stock that and everything else will disappear from the bins."

Her catalogue contains some of the most ambitious, influential and artistic popular music of our time. The titles provide a hint: "Wild Things Run Fast," "Court and Spark," "The Hissing of Summer Lawns" and, her latest, "Chalk Mark in a Rain Storm" (which she says means impermanence). She calls them "little snapshots." The last two are "tributes to Tennessee Williams."

Born in the Canadian province of Alberta in 1943, Mitchell learned guitar from a Pete Seeger method book. Her songs like "Both Sides Now" are folk standards. After moving to California, she became, according to New Musical Express, "notorious for various romantic attachments" and writing songs about them. As her lyrics became more poetic, she was compared to Bob Dylan. She hired Pat Metheny, Steven Stills and Jaco Pastorius ("It was as if I had invented him") as sidemen, incorporated African elements before Charles Mingus called her a "nervy broad."

Their collaboration on the album "Mingus" was not as odd as it might appear. "I thought I was black for about three years," she told Musician magazine. "I felt like there was a black poet trapped inside me." In Paris recently to promote "Chalk Mark," she talked about Mingus:

"When Charles knew he was dying, he had me to write his epitaph. He had been reading T.S. Eliot's 'Four Quartets.' He didn't understand parts of it and his wife Sue was so good at paraphrasing it for him. So he got the notion to write a piece of music around an Oxford English voice reciting Eliot and my voice translating it into the vernacular. I told him I did not want to condense T.S. Eliot. But every time he called me, his speech deteriorated further, there was a race against time. And I felt honored to be wanted by him." Although considered opportunist by the jazz camp and pretentious by rockers, "Mingus great, I'll be right over."



"I'm a cat among dogs," says the singer-songwriter-producer Joni Mitchell, describing her 26 albums of "little snapshots."

turned out to be an eloquent epitaph. Mitchell is one of the few stars of the '60s to have avoided being stuck in a style or a formula. The list of guest artists on "Chalk Mark" reflects a wide range of interests and the esteem of her peers: Willie Nelson, Peter Gabriel, Billy Idol, Don Henley, Tom Petty, Thomas Dolby and Wayne Shorter.

She co-produced the album with her husband, the bassist Larry Klein. Singer-songwriters who produce themselves are combination soloists, conductors, composers and orchestrators. The responsibility is analogous to that of a film director with a starring role. The level of control and creativity depends on the individual. Mitchell is a hands-on producer, one of the rare women in her macho world with enough ability and status to attract top male musicians ("I'm a cat among dogs") and control the final cut. Some illustrations:

"Larry and I were sitting in the Grammy audience a couple of years ago when Billy [Idol] performed. I thought, wouldn't he be perfect for the male role in 'Dancing Clown' [a song on 'Chalk Mark']? We called him the next day, he thought it was a strange idea. He was reluctant. I said, look, Billy, here are the lines you'd be singing: 'I'm a push button wand / I can run you up and down / Anytime I want / I can make you my dancing clown.' He said 'That sounds great, I'll be right over.'"

When she asked Don Henley to sing the part of a sick yuppie picking up an airbrushed airhead in a suburban shopping mall for "Snakes and Ladders" she was afraid the ex-Eagle with a reputation for life in the fast lane might resent such typecasting. "Can you get into this?" she asked him. "Are you kidding?" he replied: "This is my life."

The saxophonist Wayne Shorter, featured on "A Bird That Whistles," an adaptation of the traditional song "Corrina Corrina," made nine takes on nine separate tracks. "Each one was more incredible than the last," she said. "He's such a creative improviser. What I usually do with Wayne is sort of combine all his takes, move things around. He trusts me by now, he's used to giving me the raw material and then I compose a piece from it. So he finished the ninth one and said, 'Okay, Joni, I'm going home. Now you sculpt.'"

Electronic rhythm machines are a "real gift for me. I have personal and eccentric ideas about rhythm and I don't have the time to learn to play drums. My body may want two beats in the left shoulder, one in the right foot, three in the arms. So now I just dance out the dance I want and tell it phonetically to Larry — 'Chegoochi-goom-chi-goom.' He programs the box giving me the choice of, say 15 ways to get that sound and feel. Otherwise — well, how can I tell a Latin drummer he's playing too Latin?"

But the machine has no ego. Her survival reflects an ability to analyze and to cope with change:

"In the '40s the singers' bodies were cool — Peggy Lee and Frank Sinatra — the big band was behind them with the energy. Then in the '50s with rock 'n' roll it was — wow! — mischief. Rock 'n' roll was vital, it was wild and forbidden, it was a breach with what went before and it was our very own. Then the 'Italians' jumped in with the pretty boys. If the kid looked good, talent didn't matter. After that, the lead guitar came forward, the musicians were dancing. The amplifiers increased in size along with world tension — volume and anguish went together. Following that was a craving for deeper ideas. Then the punks came along, faces went deadpan again, and the attitude was 'I don't have to prove I'm creative.' Creativity took a nosedive in favor of the rebel punk pose.

"Having seen that before, having been a punk myself in the '50s, I could go along with it up to a point. Mindless eras can be a relief. But Bob Dylan had set a certain standard for lyricism and I thought, surely they aren't going to throw the baby out with the bathwater."

Looking back over those years, which of her 26 albums is she proudest of? "The one I haven't made yet."

PEOPLE

Voice of Bugs Bunny Marks 80th Birthday

The legendary voiceover artist Mel Blanc, who created the voices of such memorable characters as Bugs Bunny, Porky Pig, Daffy Duck and Tweety Pie, celebrated his 80th birthday with a party at Warner Bros. studios in Burbank, California. Blanc, whose voice has been associated with the creation of the Warner Bros. animation department for more than 50 years, Wednesday accepted the keys to a 1957 Edsel from his son Noel during an open-air ceremony at the studio. He also accepted congratulations from longtime friends Mel Douglas and Cornell Wilde, Warner Bros. Chairman Robert A. Daly. Blanc said the "wascally rabbit" Bugs Bunny, among the first voices of the artist created with his association with Warner Bros. began in the late 1930s. His favorite character of all, "Bugs was keeping going forever, his voice was anyway," he said. "He's a real winner." ... Dame Ninette de Valois's reputation as the Royal Ballet's first ballerina was built up from a handful of dancers more than 50 years ago into one of the world's leading companies. "Madame," as the upright matriarch of British ballet is known, takes a bow at a Royal Gala performance being held in her honor on her birthday on June 6.

Life for John Rambo seems to involve more death than ever. Sylvester Stallone's character in "Rambo III," a one-on-one fighting machine who fends off an army of Soviets, includes 123 deaths and twice the violence of the previous "Rambo" movies. The U.S. National Coalition of Television Violence said the group this week condemned the "glorification of war and hatred" in the 118-minute film. ... Australia's malleable Mick Dundee has defeated Rambo in the first round of heavyweight film sequel. "Crocodile Dundee II," which brought back Paul Hogan as the friendly, tough-mannered, dour in \$29.2 million at U.S. box offices in its first six days, "Rambo III" raked in \$212 million in the same period.

An estimated 85,000 East German fans packed an open-air stadium on Wednesday night to watch the British rock singer Joe Cocker perform at one of the biggest pop concerts held in East Berlin.

ANNOUNCEMENTS

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ANNOUNCEMENTS

LOSE WEIGHT, GIVE UP SMOKING... ALL TICKETS, Wimbledon, Phoenix, London, etc.

AMERICAN WOMEN LIVING IN DISORDERED ARE invited to join the American Women's Club.

BOOKS FROM AMERICA... WIMBLEDON... FRIENDSHIPS

ANNOUNCEMENTS

EMPLOYMENT GENERAL POSITIONS WANTED... YOUNG FRENCH LADY... SECRETARIAL POSITIONS AVAILABLE

MINERVE SEKS FOR AMERICAN... DOMESTIC POSITIONS WANTED

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INTERNATIONAL CLASSIFIED

EMPLOYMENT SECRETARIAL POSITIONS AVAILABLE... AMERICAN MEDICAL COMPANY

EMPLOYMENT SECRETARIAL POSITIONS AVAILABLE... DOMESTIC POSITIONS WANTED

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AUTO SHIPPING... CONTACT CAR RENTALS... TRANSCO GERMANY

LEGAL SERVICES U.S. DIVORCE IN 21 DAYS... DOMINICAN DIVORCES

INTERNATIONAL CLASSIFIED

BOATS/YACHTS NEW ITALIAN FAST MOTOR YACHT... GUAM USA DIVORCE

LEGAL SERVICES U.S. DIVORCE IN 21 DAYS... DOMINICAN DIVORCES

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HOLIDAYS & TRAVEL

LOW COST FLIGHTS... ACCESS VOYAGES... MOVING

MOVING... EMPLOYMENT... FRIENDSHIPS

FRIENDSHIPS... DATELINE... INTRODUCTIONS

DATELINE... INTRODUCTIONS... CLEO

CLEO... FULL OF CHARM... AMERICAN MAN

AMERICAN MAN... JAPANESE ORIGIN... GENERAL POSITIONS WANTED

JAPANESE ORIGIN... GENERAL POSITIONS WANTED... PERSONAL ASSISTANT

PERSONAL ASSISTANT... FRENCH LADY... CLEO

HOLIDAYS & TRAVEL

VERMONT'S MOUNTAIN HIDEAWAY... FRANCE TO LET

FRANCE TO LET... LEARN FRENCH COOKING

LEARN FRENCH COOKING... HOTEL BELLS BRIDGE

HOTEL BELLS BRIDGE... PHILIPPINES

PHILIPPINES... NEW YORK CITY APARTMENT

NEW YORK CITY APARTMENT... CLEARWATER/TAMPA/ORLANDO

CLEARWATER/TAMPA/ORLANDO... HOLIDAYS & TRAVEL

HOLIDAYS & TRAVEL... appears every Friday

HOLIDAYS & TRAVEL

HOLIDAYS & TRAVEL... VACATION STAYS IN FRANCE

VACATION STAYS IN FRANCE... HOTEL BELLS BRIDGE

HOTEL BELLS BRIDGE... PHILIPPINES

PHILIPPINES... NEW YORK CITY APARTMENT

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HOLIDAYS & TRAVEL... THE ROYAL BERKSHIRE

THE ROYAL BERKSHIRE... HOTEL BELLS BRIDGE

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